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In the

Supreme Court of the United States

THE NEW YORK TIMES COMPANY, INC.; NEWSDAY, INC.; THE TIME INCORPORATED MAGAZINE COMPANY; LEXIS/NEXIS and UNIVERSITY MICROFILMS INTERNATIONAL,

Petitioners,

vs.

JONATHAN TASINI; MARY KAY BLAKELY; BARBARA GARSON; MARGOT MIFFLIN; SONIA JAFFE ROBBINS and DAVID S. WHITFORD,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

RESPONDENTS' BRIEF

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QUESTIONS PRESENTED

1. Whether the privilege afforded newspaper and magazine publishers in § 201(c) to enable them to construct their "collective works" thereafter affords anyone — and, if so, who — the privilege of *de*constructing those collective works and individually exploiting their freelance components?

2. Whether it affords anyone the privilege of taking a contribution that originally appeared as part of *one* publication and reproducing it and making it available either as a standalone unit or in combination with articles from other publications or periodical issues?

3. Whether an electronic database that contains millions or billions of articles from tens of thousands of different publications or from different issues of a publication constitutes a "revision" within the meaning of § 201(c) of each of the periodical issues from which an article or articles have been taken?

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TABLE OF TERMS AND ABBREVIATIONS USED IN THE BRIEF

With Reference To Parties:

Petitioners	Defendants The New York Times Co., Inc., Newsday, Inc., The Time Inc. Magazine Co. ("Time Inc."), LEXIS/ NEXIS (or "Mead") and University Microfilms International (or "the UMI Company")
Respondents	Plaintiffs Barbara Garson and Sonia Jaffe Robbins

With Reference To Briefs:

Cert.Pet.	The Petition For a Writ Of Certiorari
(__a)	References To Pages In The Appendix To The Petition For Certiorari. This Includes References To The Opinions Of The District Court and Second Circuit In This Case.
Cert.Reply	Petitioners' Reply In Further Support Of Their Petition For Certiorari
Pet.Bf.	Petitioners' Brief On The Merits
Publishers' Amicus	Brief For Advance Publications, Inc., et al, Amici Curiae, In Support Of Petitioners
Database Producers' Amicus	Brief For The Software & Information Industry Association et al., Amici Curiae, In Support Of Petitioners
NGS Amicus	Brief Of Amicus Curiae The National Geographic Society In Support Of Petitioners

AIPLA Amicus	Brief For Amicus Curiae American Intellectual Property Law Association In Support Of Neither Party
Burns Amicus	Brief Amici Curiae Of Ken Burns, Doris Kearns Goodwin et al, In Support of Petitioners

With Reference To Statutes:

"Act" or "1976 Act"	Copyright Act of 1976, codified at Title 17, U.S.C.
1909 Act	Copyright Act of 1909, ch. 320, 35 Stat. 1075 (codified at former Title 17, U.S.C.), repealed by Copyright Act of 1976, Pub.L. No. 94-553

With Reference To Legislative History:

Copyright Law Revision, Part 1 (LVI 10 et seq.)	Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law, 87th Cong., 1st Sess., Copyright Law Revision (H. Judiciary Comm. Print 1961)
Copyright Law Revision, Part 2 (LVI 20 et seq.)	Discussion and Comments on Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law, 88th Congress, 1st Sess., Copyright Law Revision, Part 2 (H. Judiciary Comm. Print 1963)
Copyright Law Revision, Part 3 (LVI 63 et seq.)	Preliminary Draft for Revised U.S. Copyright Law and Discussions and Comments on the Draft, 88th Congress, 2d Sess., Copyright Law Revision, Part 3 (H. Judiciary Comm. Print 1964)

Copyright Law Revision, Part 6 (LVI 129 et seq.)	Supplementary Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law; 1965 Revision Bill, 89th Cong., 1st Sess.
H.R.Rep. No. 1476 (LVI 266 et seq.)	H.R. Rep. No. 1476, 94th Cong., 2d Sess. (1975), reprinted in 1976 U.S. Code Cong. & Ad. News 5659
Patry Report (LVI 299 et seq.)	Expert Witness Report of Professor William Patry, Together with Excerpts from Legislative History
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LVI ___	References to Pages in Volume 1 Of The Lodging (Legislative History)
LVII ___	References To Pages in Volume 2 Of The Lodging (Articles and Registrations)
BA ____	References To Paras. In the Bass Affidavit Submitted In Support of Plaintiffs' Motion For Summary Judgment (J.A. 65a-115a)
Exh. __	References To Exhibits Attached To The Bass Affidavit In The Underlying Record
KL	Letter, Dated December 24, 1996, From Bruce Keller To The District Court, District Court Record, Item 56
Newsday RRA	Responses by Newsday To Requests To Admit, Attached To The Bass Affidavit As Exhibit 22

M_____	References To Pages In The Documents From Mead Attached To The Bass Affidavit As Exhibit 49
U_____	References To Pages In The Documents From UMI Attached To The Bass Affidavit As Exhibit 50
T_____	References To Pages In The Documents From Time Inc. Attached To The Bass Affidavit As Exhibit 41

To Oral Argument And The CD-ROM Demonstration Before The District Court:

OA	Transcript Of The Oral Argument Before The District Court (October 17, 1996)
D	Transcript Of The Demonstration By Defendants Of The CD-ROM Technology (December 10, 1996).

STATUTORY PROVISIONS INVOLVED

This case requires the interpretation of the Copyright Act of 1976, 17 U.S.C. §101 *et seq.*, and two provisions in particular: § 103(b), which petitioners have, in large part, attempted to read out of the statute, and § 201(c), which they have attempted to reduce to two words. Section 201(c), which governs freelance contributions in collective works, states in full as follows:

> (c) Contributions to collective works. Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

Section 103(b) and other relevant provisions of the Act are set forth in Appendix II to this brief.

STATEMENT OF THE CASE

There comes a time in the life of an automobile when the vehicle is worth more disassembled than left put together. At that point, the car is taken apart, and its parts are sold off — the engine, the muffler, the bumpers, fenders, doors, the front and back windshields, and even the hubcaps may be sold separately by used-parts suppliers.

The same fate now awaits today's newspaper or magazine and tomorrow's literary or social science journal. Such publications have a short shelf life: They quickly become "yesterday's papers."

But after the publications no longer have any value at the newsstand, they still have plenty of value when they're disassembled and the "parts" — i.e., articles, reviews, op-ed pieces, etc. — are put up for sale.

As a consequence, even before the presses cool, many of the publications' component parts are sent off to LEXIS/NEXIS or the UMI Company, where the parts experience a second life.

Petitioners attempt to avoid the obvious implications of their acts by insisting over and over again that what the print publishers transmitted to the database producers and the latter placed on-line and on-disc were simply "electronic copies" or "revisions" of the print publishers' collective works. No amount of mantric repetition will make a heap of spare parts into a revised Cadillac, or the text of each of the articles in yesterday's *New York Times* into a revised edition of the newspaper.

The record, that is the facts, are to the contrary. The databases contain not "any revisions" of the publishers' collective works, but *discrete articles*. *See* BA at ¶¶ 11-27, J.A. 72a-84a. *Both courts below so found.* (3a, 4a, 5a, 14a, 102a).

Accordingly, the Court of Appeals' decision in this matter should be affirmed, as the Register of Copyrights herself recently urged in a letter introduced into the Congressional Record. That letter is annexed hereto as Appendix I.

The Contributions, Collective Works And Databases At Issue In This Case:

Respondents, six writers who authored a total of twenty-one freelance articles, sued two sets of petitioners: three print-publishers (*The New York Times*, *Newsday* and Time Inc. Magazine Co.) and two database producers (LEXIS-NEXIS or "Mead" and the UMI Company).

Each of these articles originally appeared in a distinct issue of a newspaper or magazine: twelve in issues of *The New York Times*, eight in issues of *Newsday*, and one in an issue of *Sports Illustrated*. BA Chart, J.A. 68a-69a. Each of these issues appeared in a variety of editions. *See post* at 24-25.

Respondents Garson's and Robbins' articles were written for *Newsday*, which, within 24 hours of publication, provided discrete electronic files — each containing one article — to

Mead for the purpose of their being incorporated into NEXIS' database. BA ¶¶ 12, 12, J.A. 73a-74a; Williams Aff. ¶¶ 26, 29, J.A. 135a-136a. None of these files contained any of the typesetting instructions or codes that had once enabled the article to be printed out and fitted into a collective work. BA ¶¶ 13, J.A. 74a-75a; Exh. 35, Skinner Depo. 38. At the same time, each file contained newly-added codes and keywords to make the article individually retrievable after being added to the database. BA ¶¶ 13, 14, J.A. 74a-78a; Williams Aff., J.A. 133a-136a; Exh. 35, Skinner Depo. 15, 18.

The NEXIS on-line database is one of three databases involved in this case. The other two are the New York Times On Disc ("NYTO") and the General Periodicals On Disc ("GPO"). None of these databases stores intact "collective works." BA ¶¶ 9-54, J.A. 72a-96a, Williams Aff. ¶¶ 18, 31-32, 42, J.A. 132a, 137a, 140a. Rather, each stores articles and stories from myriad different collective works and makes them retrievable on a variety of bases. Exh. 22, Newsday RRA 13, 14. NEXIS and NYTO reproduce only the text of an article; "there are no photographs or captions or columns of text." (16a). *See also* LVII 39-110, 111-133. GPO makes "article copies" available, meaning that an article will appear in the context of a page. LVII 134-154.[1] In other words, if an article begins on page 3 of an issue of a newspaper or magazine and continues (and ends) on page 45, the article as retrieved from the GPO database will consist of those two pages. LVII134-154; D 11. In no instance will the retrieval of a *particular* article from any of the three databases retrieve articles that appeared on other pages of the newspaper or the collec-

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[1] *See also* J.A. 331a ("GPO . . . provides exact reproductions of articles in image format from approximately 200 of the most frequently used general-interest periodicals"); 332a:

> General Periodicals Ondisc . . . allow[s] researchers to quickly identify and retrieve articles of interest. Users search the abstract-and-index database, locating and reviewing relevant citations and abstracts, then retrieve and print complete *article copies* from the image database. . . . (emphasis added).

tive work as a whole. *Id.*; Williams Aff. at ¶¶ 19-20, J.A. 132a-133a.

Petitioners are correct that among all the searches that a user could conduct, there is one search — the "date and periodical search" that would enable the user to "generate all of the articles — and only those articles — appearing in a particular periodical on a particular day." Pet.Bf. 4. This fact confirms that the databases do not contain fixed copies of the print publishers' collective works, since the search can produce nothing but a series of "individual hits," each corresponding *to a separate and discrete article.* (30a). *See also* Exh. 31, Guiant Depo. 81-82; Exh. 34, Petrosino Depo. 132, J.A. 202a; J.A. 363a-364a at ¶ 14; 367a at ¶ 8; 370a at ¶ 9; 472a at ¶ 8, 474a at ¶ 16, 475a at ¶ 23, 477a at ¶ 33. There is no mechanism permitting the entire collective work to be retrieved as a single unit, simply and without manipulation of the data in the database. *See* Petrosino Depo., J.A. 201a; Guiant Depo., J.A. 195a. Thus there is no "embodiment" of the collective work (in either an original or revised form) in the database. Before an embodiment of the entire collective work can be perceived, it first has to be created by the end user. KL 7.[2] What *do* exist in the databases in a fixed, stable and permanent form are copies of individual articles. BA ¶¶ 40-41, J.A. 89a-90a. While the vast majority of these copies, written by staff members or on a "work-for-hire" basis, do not violate the Act, those written by plaintiff freelance authors are infringing.[3]

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[2] Petitioners acknowledged in this letter that articles in a database are not "stored in discrete places on computer disks or drives in a manner that directly corresponds to the sequence in which they appear in the analog world . . ." KL 10. They claimed, however, that it was not important how data was actually organized on a hard drive, but only how it could be *re*organized in accordance with a user's wishes. KL 7. In this connection, they noted that articles in the database's text file — otherwise known as the "lib.ful file" — could be reorganized "on an issue-by-issue basis *whenever a user wishes to access the information that way.*" KL 7 (emphasis added).

[3] Microfilm is not at issue in this case because it is not infringing. And, it is not infringing because it allows the collective work to be "fixed" in the

The Claims, Positions And Determinations In The Lower Courts

Respondents claimed: (1) the print publishers directly infringed their copyrights when they reproduced, licensed and distributed respondents' articles to the database producers, and (2) the database producers directly infringed their rights when they incorporated these articles into the three databases and reproduced the articles both before and after doing so. Respondents also charged both sets of petitioners with direct infringement by violating respondents' exclusive right under §106 of the Act to authorize third parties to reproduce, display, download and distribute their contributions as separate and discrete works.

Contrary to petitioners' suggestion (Cert.Pet. 9, 24, 25), respondents never asserted that any defendant was vicariously liable for infringement by end-users who retrieved, copied or read their articles. Respondents did, however, charge the publisher petitioners with vicarious and contributory liability for the database petitioners' infringements.

Although petitioners repeatedly urged it to do so, the District Court rejected their proposed finding that the database petitioners placed "electronic copies" or "versions" of the print publishers' collective works into their on-line and CD-ROM databases. It recognized that, as a result of the publisher petitioners' day-long process of preparing articles that had appeared in their newspapers and magazines for incorporation into the databases, much of what made the periodicals "col-

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medium of expression as an integral unit that includes component contributions. Because the contributions are not fixed separately and apart from the collective work, they cannot be retrieved independently. Regardless of what researchers subsequently choose to focus on, therefore, microfilm inevitably takes them to the entire collective work. OA 66 (comments by the District Court). *See also* Smith Aff., J.A. 152a-160a; Williams Aff. ¶¶ 11(c), 18, 23, 31, J.A. 128a, 132a, 134a, 137a. Any database sharing these same characteristics would, presumably, be similarly protected by the § 201(c) privilege — provided that the privilege extends to all media. (*But see* discussion, *post*, at Points I(C) and II(C).) There are no such databases in this case.

lective works" was lost or eliminated. (4a, 14a-16a, 72a, 73a). Thus it determined *as a matter of fact*, that articles that had originally appeared together in a fixed relation as part of a particular collective work were dispersed throughout the databases. (64a; D 45) It further found that both NEXIS and the NYTO database store and display individual articles, not collective works. (102a).[4]

It also determined, however, *as a matter of law* that each of the databases constituted a "revision" of a publication within the meaning of Section 201(c). The Court so ruled, because: (1) when retrieved from a database, the article is displayed together with *a citation to* the periodical issue in which it originally appeared (71a, 96a, 100a); and (2) notwithstanding that the articles that originally appeared together in an issue are no longer physically grouped together as a unit, they are all present somewhere in the database. (70a, 96a, 98a, 99a n.7, 100a, 101a).

On appeal, rather than embrace the District Court's reasoning, petitioners sought to revise its factual findings. Discarding the District Court's ruling that the databases *constituted* "revisions" of individual periodical issues, petitioners reverted to the argument that the databases *contained* "revisions" of periodicals.[5]

Like the District Court, the Court of Appeals rejected petitioners' contentions that the databases *contained* "copies", "versions" or "revisions" of collective works, finding that what they

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[4] Petitioners claim (Cert.Reply 7) that the District Court was simply "descri[bing] . . . respondents' arguments" when it stated in its Opinion (102a) that "NEXIS and "The New York Times OnDisc' . . . are text based systems which store and display articles individually." While the Court began by laying out respondents' position on that page, it clearly went beyond that. We respectfully refer the Court to the Opinion.

[5] Echoing a statement by the American Society of Media Photographers that "a bookshelf [could not be considered] a 'revision' of a book just because it holds one," petitioners stated in their brief on appeal, "That is correct . . . and under the Act, a CD-ROM containing many books is not a revision simply because it holds many." Appellees' Bf. 60 n. 49. *See also* OA 12, where petitioners first took this position.

"contained" was individual articles. (2a, 4a, 5a, 14a). "NEXIS does almost nothing to preserve the copyrightable aspects of the Publishers' collective works, 'as distinguished from the preexisting material employed in the work.' 17 U.S.C. § 103 (b)," the Court said. (14a). It is significant in this connection "that neither the Publishers nor NEXIS evince any intent to compel, or even to permit, an end user to retrieve an individual work only in connection with other works from the edition in which it ran," the Court continued. (15a-16a). On the contrary, what they fix in the computer servers, discs and drives and make available to end users are "the preexisting materials that belong to the individual author under Sections 201(c) and 103(b)." (16a). They make these materials available, moreover, not as a unitary or "collective whole," but in contribution-size bits and pieces. (6a-7a; 4a ("After Mead . . . codes the individual files, the pieces are incorporated in the NEXIS database.")

As a result, articles that once were an integral and inseparable part of particular print collective works are "now available . . . [to] be retrieved individually or in combination with other pieces originally published in different editions of the [same] periodical or in different periodicals."[6] (6a-7a). They are not fixed or stored in any of the databases as part of a fixed copy of a collective work. (4a).

The Court of Appeals also found that the databases did not legally *constitute* any one of the three collective works provided for in § 201(c). Because petitioners claimed only the protection of the second ("revision") clause of § 201(c), the Court identified "[t]he crux of the dispute" as "whether one or more of the pertinent electronic databases may be considered

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[6] By analogizing to "library stacks" at pages 3-4 of their brief, petitioners inadvertently create the impression that the "libraries" provided for in a search and retrieval program correspond to physical locations on a database. *See also* Pet.Bf. 46 and Database Producers' Amicus 19. They do not. Libraries are simply "logical groups" of electronic files that share a common sequence in their file numbers. Exh. 34, Petrosino Depo. 28. Files sharing these common file number sequences may be located anywhere.

a "revision" of the individual periodical issues from which the articles were taken." (5a).

It answered that question by looking at the plain meaning and structure of the statute, noting that "[u]nder ordinary principles of statutory construction, the second clause must be read in the context of the first and third clauses." (9a-10a). It then applied this unremarkable principle to the concrete facts before it, reasoning: "The first clause sets the floor, so to speak, of the presumptive privilege," permitting the collective-work author to reproduce and distribute individual contributions as part of "a specific edition or issue of a periodical." (10a). The second clause then "expands" on the privilege by permitting "the reproduction and distribution of the individual contribution as part of a 'revision' of 'that collective work,' i.e., a revision of a particular edition of a specific periodical." (10a). Finally, the third clause sets an outer limit, permitting "the reproduction and distribution of the individual contribution as part of a 'later collective work in the same series,'" (10a) — which, as petitioners have acknowledged, means simply "a later issue of its magazine." Pet.Bf. 26.

Giving the three-part privilege its "most natural reading," the Court found that the middle clause was intended to protect "later editions of a particular issue of a periodical, such as the final edition of a newspaper." (10a-11a). Surveying the features and character of the databases at issue, the Court concluded that none of them could be said to constitute a revised version of an edition of a specific periodical. (14a-17a).

The Court below further noted that in addition to reproducing and distributing respondents' articles as discrete works, petitioners had made them part of "new anthologies" — the databases themselves. These databases were created by collecting and assembling innumerable articles and other pieces of text from myriad different sources. J.A. 216a-328a, 331a. The resulting compilations owed their origin to the database producers, and thus were not in the same "series" as the print publishers' collective works. (17a).

Having concluded that whether respondents' articles were being offered as individual articles or as part of new anthologies, petitioners had infringed respondents' copyrights, the Second Circuit reversed and remanded with instructions to enter judgment for respondents on liability. (2a, 22a) In response to petitioners' motion for rehearing and/or rehearing en banc, on February 25, 2000, the Court of Appeals issued an amended opinion clarifying its ruling in two respects[7] and otherwise reiterating its findings and conclusions. On April 6, 2000, the entire Second Circuit denied petitioners' motion for rehearing en banc, without dissent.

The Issues Before This Court

Petitioners' petition for certiorari claimed that the decision below would have disastrous consequences, and was in conflict with two of this Court's seminal copyright decisions, *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340 (1991) and *Sony Corp. of America v. Universal City Studios*, 464 U.S. 417 (1984). The question petitioners presented for review was:

> [W]hether a publisher's reproduction and distribution of its *entire periodical* not only in print, but also electronically, is privileged under the Copyright Act or instead infringes upon the copyrights held by contributing freelance authors.

Cert.Pet. at i (emphasis added). In their brief on the merits in this Court, petitioners restated their question presented as follows:

> Are reproduction and distribution of a periodical in electronic form, as well as in print, privileged under Section 201(c) of the Copyright Act *or does* electronically pub-

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[7] The Court made clear in its Amended Opinion that the § 201(c) privilege is both "non-assignable" and "non-exclusive," and that it constitutes a default rule. In other words, that it applies "in the absence" of an express agreement between a publisher and a writer and *not*, as petitioners claim, in the absence of an agreement *to the contrary*. (8a; 20a-21a). *But cf.* Pet.Bf. 11 n.9. Authors retain any rights that they do not expressly give away; they do not have to reserve any rights under a contract. 17 U.S.C. § 201(a), (c).

lishing *the same contents* infringe upon the copyrights held by contributing freelance authors?

Pet.Bf. at i (emphasis added).

SUMMARY OF ARGUMENT

I. The Copyright Act of 1976 makes a clear distinction between copyright in a contribution to a collective work and copyright in the collective work *per se*. 17 U.S.C. § 201(c). The collective work author's copyright "extends only to the material contributed by the author of such work." 17 U.S.C. 103(b). It does not extend to "the preexisting material employed in the work" or "imply any exclusive right in the preexisting material." *Id.* This means both that: (1) the freelancer's copyright is not abrogated by its inclusion in a collective work, *see Stewart v. Abend*, 495 U.S. 207, 223, 231, 235 (1990),[8] and (2) the collective work author is necessarily in the position of a prospective "licensee" with respect to the freelance material. If the publisher wishes to print, reproduce and distribute its collective works — *with a freelance contribution included* — then it must either expressly obtain rights in the contribution from the freelancer or an exemption from liability. Otherwise, its publication will be infringing. 17 U.S.C. § 501.

Section 201(c) of the Act establishes a default rule that applies in the absence of an express license or assignment. 17 U.S.C. § 201(c). By affording the newspaper and magazine publisher the "privilege" of reproducing and distributing a contribution "as part of" its collective works, the section affords the publisher the mechanical license it needs to print and distribute its periodical. As long as it acts within the limits of the privilege, the privilege also effectively affords the publisher a personal exemption from liability.

The question with which the Court is presented, therefore, is whether petitioners in this case acted within the limits of that privilege or, alternatively, whether they violated respon-

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[8] *Abend, supra*, was decided in the context of derivative works rather than compilations. However, under § 103(b), the same principles would apply.

dent freelancers' rights when they took freelance articles that had once been part of a collective work and placed them into one or another of three specific databases. While there are differences between the three databases, for purposes of this case, those differences are not material. *See* discussion, *post*, at 34-35.

To determine whether or not petitioners acted within the privilege, the Second Circuit began by looking at the precise language of § 201(c). It provides that "the owner of copyright in the collective work [i.e., an issue of a newspaper] is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of [1] that particular collective work, [2] any revision of that collective work, and [3] any later collective work in the same series." 17 U.S.C. § 201(c). The parties are agreed as to the meaning of Clauses 1 and 3. In the context of *Newsday* and *The New York Times*, they agree that (1) Clause 1 refers to the first edition of a newspaper in which an article is printed, and (2) Clause 3, to a subsequent day's issue of the same newspaper.

As petitioners must concede that the databases at issue here are neither the "particular collective work" in which the contributions first appeared, nor "a later collective work in the same series," they labor to convince the Court either: (1) that the databases of which the contributions now form "a part" *constitute* a "revision" of each of the print publishers' collective works in which a contribution originally appeared, or (2) that the databases *contain* such revisions.

II. *The databases do not contain revised editions of the print publisher's collective works:* Although petitioners repeat the assertion over and over again that they have placed "electronic copies" or "versions" of the print publishers' collective works on-line, the facts establish the opposite and both Courts below so found. (4a, 5a, 14a-17a, 29a). The facts establish that, rather than send NEXIS either original or revised editions of intact collective works, the print publishers sent Mead separate electronic envelopes, each of which contained a single article. LEXIS/NEXIS then placed these individual articles on-line and made them individually retrievable.

Liability is established on the basis of these facts alone.

This is necessarily so because it is clear, under these circumstances, that there are no "copies" of the print publisher's collective works fixed in the databases. *See Matthew Bender & Co. v. West Publishing*, 158 F.3d 693, 702-703 (2d Cir. 1998), *cert. den'd*, 526 U.S. 1154 (1999). The only works fixed in the database are *individual* articles. *Id.* Those that are freelance articles owe their "origin" to their freelance authors. 17 U.S.C. § 201(c). It is the freelance author's copyright, therefore, and not the collective work author's copyright that subsists in them. *See* 17 U.S.C. § 102 ("copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression . . ."). *See also Feist Publications, Inc. v. Rural Telephone Service Co.*, 499 U.S. 340, 355 (1991).

Not only does § 201(c) not authorize extending the collective work author's copyright to these articles on the basis that they had *once* been part of a collective work, but § 103(b) on its face absolutely forbids such an extension. *See* 17 U.S.C. § 103(b) ("[t]he copyright in a compilation . . . extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material").

III. *The databases do not constitute revised editions of the print publisher's collective works:* While the parties are not agreed as to the meaning of the language in Clause 2 of the privilege ("any revision of that collective work"), they nonetheless agree on certain criteria that must be applied in determining its meaning. Most significantly, perhaps, they agree that for a work to come within Clause 2, it must be recognizable as a version of the Clause 1 work. Pet.Bf. 9. They further agree that, as far as newspapers are concerned, Clause 1 refers to *the first edition* of a particular newspaper in which a contribution appears on a given day.

The question then becomes: what resembles that first edition, but is not a subsequent day's issue of the newspaper? The

answer the Second Circuit supplied was required by a natural reading of the statute: *other editions of the same day's newspaper*. (10a-11a). Contrary to petitioners' suggestion, there is nothing outlandish about the Second Circuit's reading of the plain meaning of § 201(c) or the fact that the Court paid attention to all three of its clauses. Not only is its conclusion that the databases at issue here do *not* resemble morning editions of millions of different periodicals consistent with the only logical reading of § 201(c), it is also consistent with the Act as a whole, its Constitutional mandate and legislative purpose, and any accurate reading of the legislative history.

It is petitioners' suggestion that NEXIS *does* resemble the May 3rd, 1993 morning edition of *Newsday* that is outlandish. And, that it also and simultaneously resembles all other individual periodical issues that were the original source of its 2.8 billion articles. Indeed, unless the concept of recognizability is itself to be deprived of all meaning, none of these gargantuan, amorphous and ever-changing databases can be equated with an evening edition of a newspaper.

Petitioners themselves would appear to have reversed their position on this question for, in the past, they eschewed the position that databases constitute "revisions." They do not constitute revisions, they said; they only contain them. *See* Appellees' Brief at 60 and 60 n.49. *See also* footnote 5, *ante*.

In fact, as the Second Circuit recognized, they do neither.

IV. *Petitioners' affirmative defenses:* Petitioners' defenses rely upon the same mischaracterization of facts as their legal theories. First, neither respondents nor the Court below rely upon the conduct of end-users; it is, and always has been irrelevant. *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417 (1984). Petitioners describe what can be generated and displayed by end-users performing certain searches only because this is tangible evidence of what respondents put into their databases. By the same token, conduct by end-users such as historians and researchers can no more

save petitioners from liability (as some amici suggest it should) than it can condemn them.

Nor can blame be placed on the electronic medium. Petitioners attempt to do this by suggesting that if they are allowed to use electronic media at all, then they must be allowed to do whatever their format of choice requires of them. (Cert.Pet. 26-27, Pet.Bf. 4, 12, 18, 40, 43). This assertion has no support in either the facts or logic. Petitioners confuse media with formats. There is no evidence to support the conclusion that the desire to use the electronic medium compelled their choice of a particular format or that they were required to disassemble their collective works in order to make use of the electronic medium. In fact, the evidence is to the contrary. Digital formats that do *not* require the deconstruction of collective works were clearly available to them.

In any event, petitioners misconstrue the principle of medium neutrality, which merely means that copyright protection continues to attach to a work regardless of the medium in which it is first created or thereafter properly reproduced. It does not mean that a person who acquires a privilege to use a work necessarily acquires the right to reproduce and distribute it in any and all media or formats.

Petitioners also argue that even though they may have placed individual articles into the databases, an inchoate copy of the original collective work somehow resides therein, albeit dispersed throughout the database. Even assuming *arguendo* a factual predicate, this argument flies in the face of the principle that copyright protection extends to the "expression" or embodiment of a collective work, and not its mere concept. Without "embodiment", there can be no "copy" or "revision" of the collective work, and thus, no § 201(c) privilege. *See generally, Matthew Bender, supra.*

The "aggregate uses" defense is an inversion of petitioners' "inchoate copy" theme. It posits that so long as all (or most of) the other articles originally published in the same collective work can also be individually retrieved, the database qualifies for protection under § 201(c). Such a reading of the sec-

tion would extend copyright protection to preexisting works and thus conflict with § 103(b) of the Act, and interpret the words "as part of" a collective work in § 201(c) to mean "transmitted or reproduced *at about the same time* as other components of" such a work.

Finally, petitioners argue that if the Court does not read the statute to mean what it wants, they will be forced, in effect, to inflict grave damage on the "national archives," now stored in their electronic products. Affirmance would, they insist, require the deletion of all illegally reproduced works, creating a hole in the historic record. Affirmance would not affect the historic record. Notwithstanding petitioners' threat of self-inflicted wounds, the issue of remedies has yet to be addressed, and the statute must be construed not to achieve or avoid certain results, but in accordance with established norms and principles.

V. *Issues The Second Circuit Did Not Reach:* There were essentially three issues before the Second Circuit with respect to § 201(c): (1) its scope, (2) its transferability; and (3) whether it could properly be exercised in the electronic medium. Although the Second Circuit did not address either of the latter two issues, they also support the judgment in respondents' favor. We address both of these issues, *post*.

We begin with the transferability issue since the statutory provisions and legislative history that relate to that issue also relate to the privilege's scope.

ARGUMENT

I. The Statute And Its Plain Meaning:

A. The Section 201(c) Privilege Is Non-Assignable, Non-Transferable And Non-Exclusive.

1. A "Privilege" Is Not A "Subdivision Of An Exclusive Right."

The District Court held that the privilege provided in § 201 (c) of the Act is transferable under § 201(d)(2) without the consent of the author of an affected contribution. The court reasoned that § 201(d)(2) provided for the transfer of "[a]ny

of the exclusive rights comprised in a copyright, including any subdivision of . . . [such] rights", and the § 201(c) privilege constituted such a "subdivision." (47a-49a). The Second Circuit concluded that it did not have to reach this issue. (7a) The District Court's view is mistaken.

Article I, Section 8, Clause 8 of the Constitution grants Congress the power "[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right *to their* respective Writings and Discoveries." (Emphasis added).

Consistent with this mandate, Congress has made a clear distinction between copyright in a collective work or compilation and copyright in the underlying contributions. 17 U.S.C. § 201(c). The copyright in the compilation "extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material." 17 U.S.C. §103(b). Thus, after publication in a newspaper or magazine, a freelancer continues to have exclusive rights in his contribution as well as the power to transfer all or any portion of those rights. 17 U.S.C. §§ 103(b), 201(d)(2). *See also Stewart v. Abend*, 495 U.S. 207, 216, 223, 231, 235 (1990); *Russell v. Price*, 612 F.2d 1123, 1128 (9th Cir. 1979), *cert. den'd*, 446 U.S. 952 (1980).

Section 201(d)(2) provides that "[a]ny of the exclusive rights comprised in a copyright, including any subdivision of . . . [such] rights" may be "transferred and owned separately." Section 101, in turn, defines such a "transfer of copyright ownership" as including "any . . . conveyance . . . of . . . exclusive rights. . . , *whether or not it is limited in time or place of effect.*" It is thus clear that what Congress was referring to in § 201(d)(2) when it referred to a "subdivision" of an exclusive right was such types of limitations — "in time or place of effect."

2. The Privilege Represents A Personal Exemption From Liability And Not A Transferable Ownership Interest In Property.

Contrary to the suggestion of certain amici, language in both the statute and the Constitution make it clear that the privilege provided for in § 201(c) is a personal exemption from liability and not a transferable property interest.

First, while Congress uses the words "rights," "exclusive rights," and "copyright" almost everywhere else in the Act, in § 201(c), it uses the word "privilege." That word has historically referred to a strictly personal prerogative, not a transferable property right. Webster's Third New International Dictionary 1805 (1976). *See* 8 Wigmore, Evidence, Section 2196, p. 111 (1961) (". . . [a] claim of privilege can be made solely by the person whose privilege it is. The privilege . . . is purely personal.") *See also, e.g., United States v. White*, 322 U.S. 694, 698-99 (1944); *Picard v. East T., V. & G.R. Co.*, 130 U.S. 637, 642 (1889); *Chesapeake & O.R. Co. v. Miller*, 114 U.S. 176, 185 (1885) ("rights . . . may be conveyed"; "privileges" are "personal and incapable of transfer without express statutory direction").

Second, in the few other instances in the Act where Congress has provided for a "privilege" rather than a "right," it is clear that what has been provided is an exemption from liability. Thus, sections 109(a) and 109(c) of the Act afford a person who acquires ownership of a "material object" — as opposed to a "work"[9] — the "privilege" of displaying the object (§ 109(c)), and of selling or otherwise disposing of it (§ 109(a)), notwithstanding that he or she has no copyright rights in the embodied work. Sections 109(a) and (c) permit someone who acquires a material object, but not the copyright in the underlying work, to do something that would

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[9] *See* 17 U.S.C. § 202 ("Ownership of a copyright, or of any of the exclusive rights under a copyright, is distinct from ownership of any material object in which the work is embodied. Transfer of ownership of . . . [the] material object . . . does not of itself convey any rights in the copyrighted work embodied in the object.")

otherwise constitute copyright infringement without incurring any liability. They permit the person to sell or display the object without violating §§ 106(3) and 106(5).

Congress' use of the word "privilege" in § 201(c) is consistent with its use in these provisions. It permits a publisher to reproduce and distribute publications in a particular series without incurring liability under the Act. *See* Black's Law Dictionary 1359 (Rev. 4th ed. 1968) (defining the term "privilege" *inter alia* as "[t]hat which releases one from the performance of a duty or obligation . . . or exempts one from a liability. . .").

Third, the District Court reasoned that the privilege was transferable on the ground that the § 201(c) privilege constituted a species (or sub-species) of any "exclusive right." (47a-49a). That conclusion cannot be reconciled with the language of §103(b): "[t]he copyright in a compilation . . . does not imply any exclusive right in the . . . [underlying contributions]."

Hence the most that a newspaper or magazine publisher can be said to obtain under the § 201(c) privilege is a non-exclusive license.[10] The recipient of a non-exclusive license receives only a "mere waiver of the right to sue." He or she does not secure an ownership interest in property. *See, e.g., General Talking Pictures Corp. v. Western Elec. Co.*, 304 U.S. 175, 181 (1938), *adhered to*, 305 U.S. 124, *reh'g denied*, 305 U.S. 675 (1939)(a nonexclusive license "amount[s] to no more than a mere waiver of the right to sue.") And, because he does not secure an ownership interest in property, his "license" is not transferable to a third-party. 17 U.S.C. § 101 (the term "transfer of copyright ownership" is defined as excluding "a nonexclusive license"). *See also* 3 Nimmer § 10.02 [B][4]; *Harris v. Emus Records Corp.*, 734 F.2d 1329, 1333

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[10] *See generally, Abend*, 495 U.S. 207, 223, 231, 235 (1990) (majority opinion). *See also* 495 U.S. at 242, 248 (dissent).

(2d Cir. 1984); *Ilyin v. Avon Publications, Inc.*, 144 F.Supp. 368 (SDNY 1956).[11]

Fourth, any construction of § 201(c) that gives a publisher more than a mere waiver of the right to sue or nonexclusive license would run afoul of the constitutional mandate. Why? Because the constitutional grant of power was a limited one. Congress was granted the power to "secur[e] to Authors and Inventors the exclusive Right *to their respective Writings*." (emphasis added). Any statute that purported to confer an exclusive right on a person other than the author, without the author's consent, would exceed the constitutional grant.

In any event, petitioners have as much as conceded that the statutory license conferred on them is a nonexclusive one:

> THE COURT: . . . Do you concede that an author who gives an article to a newspaper like the New York Times . . . retains the right to take that article and have it published in a different methodology if he cho[oses] to.
>
> MR. KELLER: In fact, Your Honor, there is testimony in the record that every single one of the respondents did that.
>
> THE COURT: They retained that right?
>
> MR. KELLER: Absolutely.
>
> THE COURT: Could they, if they chose, sell their individual article to NEXIS?
>
> MR. KELLER: Yes, they could.

J.A. 338a-339a. The Second Circuit agreed with that assessment. On February 25, 2000, it amended its opinion in this

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[11] Nonexclusive patent licenses are, similarly, non-transferable as a matter of law. *See, generally, Jim Arnold Corp. v. Hydrotech Systems, Inc.*, 109 F.3d 1567, 1577 (Fed. Cir. 1997); *Gilson v. Republic of Ireland*, 787 F.2d 655, 658 (D.C. Cir. 1986); *PPG Industries Inc. v. Guardian Industries Corp.*, 597 F.2d 1090, 1093 (6th Cir. 1979); *Franz Chem. Corp. v. Philadelphia Quartz Co.*, 594 F.2d 146, 148 (5th Cir. 1979); *Unarco Industries, Inc. v. Kelley Co.*, 465 F.2d 1303, 1306 (7th Cir. 1972), *cert. den'd*, 410 U.S. 929 (1973).

matter to hold that the privilege provided for by § 201(c) is both "non-assignable" and "non-exclusive." (8a).

B. The Scope Of The Privilege: Publishers Are Given A Privilege To Include A Contribution In A Particular "Series."

As the Second Circuit recognized, the scope of the privilege provided by § 201(c) depends on the statute's language. (9a). The language is plain. A newspaper or magazine that includes a freelance contribution with permission, but without an express transfer of rights, is given the "privilege" of reproducing and distributing that contribution "as part of [1] that particular collective work, [2] any revision of that collective work, and [3] any later collective work in the same series."

Three things are immediately apparent. First, the three clauses whose construction is at issue describe a single privilege, with each clause constituting a branch of the privilege. Second, under this privilege, a contribution can be reproduced and distributed only as part of a work described by one or another of these three branches. And, third, the works encompassed by the second and third branches are defined *in terms of, and relation to, the works covered by the preceding clauses*.

Thus, the first clause provides for a contribution to be reproduced and distributed as part of "that particular collective work," which the parties agree means the "magazine, newspaper or encyclopedia edition in which the article is first published." Pet.Bf. 26. The second branch provides for reproduction and distribution as part of any revision "*of that collective work.*" And, the third branch provides for reproduction and distribution as part of a later collective work "*in the same series*" as the preceding two branches.

This is far from a statute in which the terms stand entirely "on their own," with "no indication that Congress intended th[e] terms to limit each others' scope," as petitioners claim. Pet.Bf. 16. Both the language and the structure of the Act make it clear that the terms of one clause define the scope of the others. The principle of *noscitur a sociis* therefore applies.

See, e.g, Gutierrez v. Bordallo, 528 U.S. 250, 255 (2000) (the Court utilized *noscitur a sociis* to interpret the words "any election," noting that the principle "is often wisely applied where a word is capable of many meanings in order to avoid the giving of unintended breadth to the Acts of Congress"); *United States v. Ryan*, 284 U.S. 167, 175-76 (1931) (the Court utilized it to narrow the seemingly all-encompassing phrase "all personal property whatsoever"). *See also* Stephen Breyer, "On The Uses Of Legislative History In Interpreting Statutes," 65 S.Cal.Law Rev. 845, reprinted in 3 Singer, Sutherland Stat. Const. at 376 (5th ed. 1993) ("the word 'any' in a statute rarely means 'any at all in the universe'" and "almost always has some context-implied limitation").

Petitioners' second objection to the way the Second Circuit interpreted § 201(c) is equally untenable. Pet.Bf. 16, 25. It was perfectly proper for the Second Circuit to consider the structure of the statute in ascertaining its meaning. *See, e.g., United States National Bank of Oregon v. Independent Insurance Agents of America, Inc.*, 508 U.S. 439, 455 (1993) ("Statutory construction . . . must account for a statute's full text, language as well as punctuation, structure, and subject matter."); *Community for Creative Non-Violence v. Reid*, 490 U.S. 730, 748 n.14 (1989); *Rodriguez v. Compass Shipping Co.*, 451 U.S. 596, 617 (1981). The Court's determination that the first and third clauses established lower and outer limits for the privilege, and that the second clause occupied the middle ground (10a) would seem compelled by plain logic as well as plain meaning.

Indeed, petitioners have as much as conceded that the statute must be read in this way.

How? In assuming the following four different positions.

First, they agree that under § 201(c), a contribution can only be included in the collective works of *one* "series"[12] — the

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[12] The parties agree that the word "series" refers to a particular periodical or publication. Pet.Bf. 26; NGS Amicus 13 ("The word 'series' . . . encompasses 'a number of successive parts or volumes of a periodical publication.'" *Webster's Third New Int'l Dictionary* 2073 (1976).)

periodical in which it was initially published. Pet.Bf. 11.[13] Thus, it cannot be published first in an issue of *The New York Times* and subsequently in an issue of *The Boston Globe.* (63a, 77a). *Accord*, Pet.Bf. 11; OA at 6-7. This is so even if the two periodicals — as is true with the *Times* and the *Globe* — are published by the same publisher. This limitation derives from the plain language of the privilege.[14]

Second, they have acknowledged that for a work to constitute a "revision of that collective work," within the meaning of the privilege's second branch, the revision must not only represent a "new, amended, improved or up-to-date version" of the work referred to in the first clause (i.e., "that collective work"), it must be *recognizable* as a version of it. Petitioners thus have acknowledged that the *sine qua non* of revision is recognizability as a "version" of the original work.[15]

Third, they acknowledge that "recognizability" requires a discrepancy of no more than 50% between the contents of the original and revised works. Pet.Bf. 30, 40. The NEXIS database is not a "version" of every daily edition of every newspaper some of whose contents it contains. Each such newspaper represents not 50%, but an infinitesimal fraction, of what is in NEXIS.

The term "collective work" refers to a particular issue or edition of such a publication.

[13] *See also* Pet.Bf. 31 n. 20, where petitioners admit that, as drafted, the first two clauses of § 201(c) were intended to pertain to the *"publication . . . [of] a particular issue of a particular periodical."* (emphasis added). They contend that the third clause was added to cover republication in a *later* issue of the same periodical. *Id.*

[14] Read naturally, the third clause provides for including contributions in later collective works "in the same series" as the collective works in the first and second branches. It necessarily follows, therefore, that all three branches refer to works "in the same series."

[15] *See, e.g.*, Pet.Bf. 9, wherein petitioners concur in the District Court's observation that a revision "must be recognizable as a version of a preexisting collective work if it is to be fairly characterized a revision of 'that collective work.'" (61a).

Fourth, and finally, they have acknowledged that for a work to come within the third clause, it need merely be "a later issue" of the same newspaper or periodical. Pet.Bf. 26.

Together, petitioners' concessions spell out a simple calculus. In that calculus:

> CW^1 (or the collective work referred to in clause 1) is the first *edition* in a particular periodical, magazine or newspaper series in which a contribution is published. Pet.Bf. 26. As such, it defines the "series" (or particular publication) to which reproduction of the contribution is thereafter limited under § 201(c). It also establishes the baseline against which a Clause 2 work is measured for recognizability.
>
> In order to qualify as a Clause 2 work or CW^2, a work must be in the same series as the Clause 1 work, be recognizable as a version of it and differ from the Clause 1 work in no more than half of its contents.
>
> In order to qualify as a Clause 3 work or CW^3, a work need not meet as many criteria. It need only be in the same series as the clause 1 work and share *one* contribution in common with it — the contribution in question.

Whether one views this calculus from the standpoint of simple linguistic common sense or basic Cartesian logic, it is indisputable that Clause 1 represents the statutory baseline for the privilege, Clause 3 sets the outer limit, and Clause 2 occupies the middle ground.

This does not, however, resolve the issues raised. Having read the language of the section in light of its structure and context, these must be applied to concrete facts. The Second Circuit did this — simply, straightforwardly and elegantly — by asking, essentially, the following question: What is it that is published in the same "series" as CW^1, is a commonly recognized version of it, and yet is not a "later" collective work in the same series?

As the Second Circuit found, the answer is obvious: later editions of the issue in which a contribution first appears.

(Since it is stipulated that CW[1] is the *first* edition in which a contribution appears on a particular day, any other editions of that day's paper to include the contribution will be "later editions" by definition. They are not "later collective works," however, because a later collective work is a different issue).

The same conclusion must be reached, even without considering the section's structure, merely construing § 201(c)'s language in light of what the NGS brief suggests is Congress' predilection for "*avoid*[ing] any gaps in coverage." NGS Amicus 5 (emphasis in original). All three clauses refer to collective works in the same series and the meaning of the first and third clauses is plain. The gap can therefore be quantified.

The first clause ("that particular collective work") refers to the particular edition of the magazine or newspaper in which an article first appears. *Accord,* Pet.Bf. 26. The third clause ("later collective work in the same series") refers to a later *issue* of the same magazine or newspaper. *Id.*, citing H.R. Rep. No 1476 at 122, J.A. 706a. What is left, then, to be covered by the second clause are other *editions* of the original day's issue.

This reading leaves substantial scope for the second Clause of § 201(c). As the Second Circuit recognized, because the Clause's "later editions are not identical to earlier editions, use of the individual contributions in the later editions might not be protected under the preceding clause." (10a-11a). Thus, "[g]iven the context provided by the surrounding clauses," interpreting the phrase "any revisions of that collective work" to mean later editions of a particular issue of a periodical "makes perfect sense." (11a). "It protects the use of an individual contribution in a collective work that is somewhat altered from the original in which the copyrighted article was first published, but that is not in any ordinary sense of language a 'later' work in the 'same series.'"(*id.*).

This definition covers a considerable number of works every day that would not otherwise have been permitted, absent an express transfer. Pet.Bf. 43; Database Producers'

Amicus 16-17. For example, in the case of both *Newsday* and *The New York Times*, the second Clause permits reproduction of respondents' works in a dozen different daily editions. M002019, J.A. 215a. Each of these editions is "different" in some way. Database Producers' Amicus 16-17. And, according to petitioners, the differences can be significant. *See, e.g.*, Pet.Bf. 46 n. 32) ("[t]he 'final edition of a newspaper' often alters the 'arrangement' of the earlier editions in significant ways . . . ").

Even if petitioners exaggerate the difference, each edition is clearly a different "work" within the meaning of the Act. *See* 17 U.S.C. §101 ("where . . . [a] work has been prepared in different versions, each version constitutes a separate work"). This necessarily means that only one of these editions (or "works") will constitute "that *particular* collective *work*" for purposes of the first Clause of the privilege and that they cannot all be brought within the rubric of Clause 1. It further means that each of these editions is separately copyrightable and separately registrable.

Petitioners themselves effectively acknowledge this in their registrations. Thus, the *New York Times* seeks to include different editions under the cover of one application. E.g., LVII 160-175. Newsday Inc. files separate registrations for its different editions or revisions. LVII 184-189 (showing, e.g. separate registrations for its Nassau, Suffolk and City editions). Without Clause 2 as construed by the Second Circuit, each of these publishers would be able to include a contribution in only one of their dozen editions — i.e., in only 8.3% of their daily output.

C. The Scope Of The Privilege: Publishers Are Not Given The Privilege Of Public "Display"

On its face, § 201(c) affords publishers the privilege of "reproducing" and "distributing" contributions as part of their collective works. 17 U.S.C. § 201(c). It does not give them the privilege of publicly "displaying" them. This omission is significant since the "right of public exhibition" — which became the § 106(5) "display" right — was created, in large part,

in order to accommodate electronic storage and retrieval systems. *See* 17 U.S.C. § 101 (definition of phrase "to perform or display a work 'publicly' "); § 106(5). *See also* Appendix I.

II. The Legislative History Confirms The Plain Meaning Of The Provision.

While respondents rely on the factual determinations of the lower courts and a natural reading of the statute, we briefly discuss the legislative history of § 201(c) to show that it fully supports the plain meaning of that statute.

A. The History Of Section 201(c) Confirms That The Privilege Is Not Transferable.

It is clear from the rejection of an earlier version of the section that § 201(c) confers a party-specific privilege, and not, as publisher petitioners must convince this Court, a "right" that they may sell or otherwise transfer. The careful distinction in § 201(c) between a "transfer" of rights, on the one hand, and a "privilege" to publish, on the other, emerged from a drafting process that focused on this very issue.

An early draft of the 1976 Copyright Act provided that a publisher could include a contribution in the original collective work to which the freelance author contributed it and "in a similar composite work."[16] One of the representatives of authors' groups — Harriet Pilpel — complained that the language was objectionable because it would permit *one* print publisher (i.e., the publisher of the newspaper or journal that originally included the contribution) to license or sell it for inclusion in another publisher's *"similar composite work."* *See* Copyright Law Revision, Part 2 at p. 151-152, LVI 39-40. That would deprive freelancers of a right that they would otherwise have been able to exercise. A consortium of book

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[16] The actual language of the Register's original recommendation was somewhat more convoluted. It provided that publishers would continue to secure the copyright in individual contributions and "hold in trust for the [freelance] author all rights in the author's contribution, except the right to publish it in a similar composite work and any other rights expressly assigned." Copyright Law Revision, Part 1 (1961 Report), at p. 88, LVI 17.

publishers registered a similar complaint respecting their publications:

> [W]e would have no objection to the foregoing if the phrase "except the right to publish it in a similar composite work" had been worded so that as to composite works other than periodicals, the publisher may issue revised editions, *but without the right of assignment to another publisher*. In the case of a periodical, we believe that the right of publication should be restricted to the particular issue.

Statement of the Joint Copyright Committee of American Book Publishers Council, Inc. and American Textbook Publishers Institute (emphasis added), Copyright Law Revision, Part 1 (1961 Report), at p. 230, LVI 19.

In response to these objections, the Copyright Office withdrew the overly broad "similar composite work" proposal and substituted a much more narrowly drawn proposal. The new version of § 201(c) deleted the reference to "right[s]" and afforded publishers only "the privilege" of publishing a contribution in "that particular collective work." In a statement accompanying the transmittal of the preliminary draft bill in 1964, General Counsel for the Copyright Office confirmed that the provision had been redrafted so as to meet these objections:

> In the course of our previous discussions of . . . [the 1961 Report], strong arguments were made that *there should not be a presumption of transfer of ownership, in the absence of an express transfer,* of the right to publish the contribution in a similar collective work. *We have adopted that argument . .*

Comments of Copyright Office General Counsel, Copyright Law Revision, Part 3, p. 258, LVI 77(emphasis added).

Contemporaneous with its decision not to give publishers a presumed ownership interest in property that could be transferred to a third party, the Copyright Office redrafted the provision in such a fashion as to afford publishers a "privilege" instead of a "right."

With this change, the 1964 bill — like the eventual act — afforded publishers "only" the "privilege" of publishing a contribution "in that particular collective work." Although subsequent changes permitted a publisher to include a contribution in more of its *own* works[17] — i.e., in additional editions or issues of one of its *own* newspaper or magazine series — the Copyright Office never again sought to afford publishers a property interest that they could transfer to a third party. Thus, the subsequent changes never implicated or affected the distinction established in the section between a "transfer" and a "privilege," nor required reversion to use of the word "right" to describe what publishers were being given.

Significantly, the phrase "transfer of ownership," used by the General Counsel in his transmittal letter, was also assuming new dimensions in the 1964 draft proposal. Ultimately, its new meaning was embodied in the provisions that are now §§ 101 and 204. Specifically, § 204 was expanded so as to permit persons to record exclusive licenses and mortgages as "transfers of copyright ownership." This, in turn, led directly to the definition of "transfer of copyright ownership" that appears in the current § 101. That provision defines a "transfer" as meaning

> an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright *or of any of the exclusive rights* comprised in a copyright, whether or not it is limited in time or place of effect, *but not including a nonexclusive license.*

17 U.S.C. § 101 (emphasis added). *See also* Copyright Law Revision, Part 3, 1964 Preliminary Draft, § 17 n. 13. Thus, the copyright revision process drew a clear and deliberate distinction between interests that constituted transfers of copyright or exclusive rights under a copyright, and those that did not.

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[17] This took place in two stages. The first stage involved permitting a publisher, in addition to including a contribution in "that particular collective work," to include it in any revised editions it created. The second stage involved further permitting the publisher to include a contribution in a later issue of the same periodical.

It follows that if the second sentence of § 201(c) does not effect a "transfer of ownership" — as the General Counsel of the Copyright Office made clear it does not — then the privilege provided in that section: (1) cannot give a publisher exclusive rights or a subdivision of an exclusive right in a freelancer's contribution; (2) cannot give a publisher a property interest that it can convey to a third party; and (3) gives a publisher only the equivalent of a non-exclusive license or waiver of the right to sue.

Petitioners appear to have come to the same conclusion. *See* J.A. 338a-339a. So have their amici. *See* Publishers' Amicus 21 (wherein the publishers represent that they have "typically paid for what they and the authors understood to be non-exclusive licenses . . .").

B. The Legislative History Confirms That The Privilege Was Only Meant To Be Exercised Within The Same "Series."

The legislative history expressly confirms that the privilege of § 201(c) does not permit the publisher of a collective work containing a freelance contribution to "revise the contribution itself or include it in a new anthology or an entirely different magazine or other collective work." H.R. Rep. No. 1476 at 122-23, J.A. 706a. In other words, not only can a publisher not transfer its interest to a third party — for publication in the *third party's* works — it can only include a freelance contribution in *one* of its own series. The "series" to which the freelance contribution is limited is the "same" series in which it was originally published. Thus, it can be published in other editions and later issues of that same newspaper or periodical, but not a different periodical published by the same publisher. This is not a medium-specific limitation; the publisher could no more reprint the contribution in a book of articles on a particular theme or include it in a CD-ROM or NEXIS anthology.

C. Petitioners' Claim That § 201(c) Was Intended To Accommodate Electronic Information Storage And Retrieval Systems Is Erroneous.

Petitioners claim (at pages 34-37 of their brief) that Congress was aware of the existence and operation of electronic information storage and retrieval systems and that it fashioned the Act with such systems in mind. As a general proposition, that is true. It is not true, however, that § 201(c) was either drafted or intended to accommodate such systems. *See* LVI generally and Patry Report, LVI 299-343.

The language of § 201(c) was finalized by February 4, 1965. *See* LVI 300, ¶2. Congress did not begin seriously considering the copyright implications of electronic information storage and retrieval systems until several months later.[18]

And while Congress subsequently adopted the Register of Copyright's May 1965 recommendation to provide for a "right of public exhibition" in § 106 of the Act,[19] at no point between the 1965 recommendation and 1976 enactment of the Act was the language of § 201(c) modified to permit publishers to publicly "display" works as well as to "reproduc[e]" and "distribut[e]" them. This omission carries weight since the right of public "display" was, in large part, designed and created to cover computerized systems. LVI 206, H.R. Rep. No. 2237, 89th Cong., 2d Sess. (1966), pp. 55-56 ("The committee is aware that in the future electronic images may take the place of printed copies in some situations, and has dealt

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[18] *See* LVI 149, Copyright Law Revision: Hearings on H.R. 4347, 5680, 6831, 6835 before Subcomm. No. 3 of House Comm. on Judiciary, 89th Cong., 1st Sess. (1965), pp. 33, 43-44, 57, 63, 73, 161, 168-169; 1074-1076, 1147-1149, 1420-1461, 1467-1468, 1755-1769, 1861, 1898-1899; LVI 147, Copyright Law Revision: Hearings Before Subcomm. on Patents, Trademarks and Copyrights of Senate Comm. on Judiciary, 89th Cong., 1st Sess. (1965) p. 220; LVI 206, H.R. Rep. No. 2237, 89th Cong., 2d Sess. (1966), p. 53; LVI 216, Copyright Law Revision: Hearings before Subcomm. on Patents, Trademarks, and Copyrights of Senate Comm. on Judiciary, 90th Cong., 1st Sess. (1967), pp. 66-73, 90-96, 573-577, 688-689, 731-735, 1065-1067.

[19] This ultimately became the public "display" right. 17 U.S.C. § 106(5).

with the problem by amendments in sections 109 and 110, . . . without mixing the separate concepts of 'reproduction' and 'display.'"). *See also* LVI 129, Supplementary Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law; 1965 Revision Bill, 89th Cong., 1st Sess., Copyright Law Revision, Part 6, pp. xviii, 20-21; H.R. Rep. No. 83, 90th Cong., 1st Sess. (1967), pp. 26-27.

Even in 1976, eleven years after the language in § 201(c) was finalized, Congress was still not sure how it wished to address the question of what it called "computer uses" — i.e., the practice of storing works in computer systems and making them available for retrieval. Rather than legislate with respect to the question, it established the National Commission on New Technological Uses of Copyrighted Works ("CONTU") to consider that and one or two-other computer-related issues and make copyright recommendations in the future. P.L. 93-573, 93rd Cong., 2d Sess. (1974), LVI 239-240. In the meantime, it adopted a stop-gap measure, § 117 of the Act, to prevent sections of the Act that might otherwise have been read as authorizing the use of works in conjunction with storage and retrieval systems from having that effect.[20] Significantly, Congress did not include section 201(c) among those sections that it subjected to the moratorium. It only included sections 106 through 116 and 118 of the Act.

There are two possible explanations: Either Congress intended to give periodical publishers a right that it was simultaneously denying everyone else — i.e., the right to use their works in conjunction with electronic information storage and retrieval systems — or there was no need to subject § 201(c) to the § 117 moratorium since Congress did not believe it could be read to authorize such use. The latter is the only rational explanation.

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[20] The section provided that notwithstanding the seeming applicability of sections 106 through 116 and 118 of the Act, no person would have any "greater or lesser rights with respect to the use of the work in conjunction with automatic systems capable of storing, processing, retrieving, or transferring information, or in conjunction with any similar device, machine, or process" than those rights the person held on December 31, 1977.

Even if petitioners were correct and collective work publishers could exercise the § 201(c) privilege in any and all media, the most that this could mean is that a publisher could reproduce its own collective works in different media, not that it could deconstruct its works and reproduce their component parts. To construe § 201(c) as permitting the latter in the context of an electronic database would be to deprive respondents and their works of copyright protection in the electronic medium that they are entitled to in print — and, thereby, to violate the very principle of medium-neutrality that petitioners have pretended to champion. If petitioners cannot cut a contribution out of a printed newspaper and offer it as a flyer on the streets, then they cannot accomplish or effect the same result electronically. Similarly, if they cannot include a contribution in a new "print" anthology, or authorize anyone else to do so, then they cannot include it or authorize its inclusion in a new electronic anthology either. As we will see in the next section, however, petitioners attempted to achieve both results.

III. The Case Against Petitioners Is Indisputable:

A. The Case Against Petitioners Is Clear On The Face Of The Statute

As the Second Circuit correctly recognized, one doesn't have to go beyond the four corners of the Copyright Act to determine the issues in this case. Liability is clear.

1. The Case Against The Print Publishers Is Clear:

As respondents amply demonstrated below, the print publishers in this case reproduced and transmitted the textual components of their newspapers and magazines to Mead as *individual* works and not "as part" of one or another of their *collective* works. BA ¶¶ 10-19, J.A. 22a-80a. Both courts below so found. (4a, 5a, 29a).

The publisher-petitioners respond to this argument by claiming that by transmitting all of a day's individual article-files to NEXIS at more or less the same time, they are in fact

transmitting "issues." Pet.Bf. 41-42; Cert.Pet. 22-23. Petitioners' argument is mistaken. The Act is clear. There must be an embodiment of a collective work *as* a collective whole for there to be a copyrightable "issue." 17 U.S.C. § 101 (under the definition of "collective work," it is not enough that contributions be "assembled;" they must be "assembled into a collective whole"). Here, the only embodiments the databases contained were those of individual articles.

By reproducing and distributing these articles other than "as part of" collective works, petitioners acted outside the privilege.

2. The Case Against The Database Producers Is Clear:

The case against the database producers can be analyzed according to either of two models: the "copy-shop model" or the "new anthology model." In each instance, liability is clear.

Under the "copyshop model," the database producer exceeds the privilege of § 201(c) by reproducing and, in the case of UMI, distributing freelance contributions as individual or stand-alone works — i.e., not "as part of" anything, as § 201 (c) requires. Under the "new anthology model," the database producer exceeds § 201(c) by reproducing and, in the case of UMI, distributing freelance contributions "as part of" new anthologies or compilations that do not qualify as § 201(c) works.

Respondents Garson and Robbins agree with General Starr that the reason the "new anthology model" applies in this case is because individual articles were not placed into a database as part of *intact* copies of collective works. Had a contribution appeared in a database solely by virtue of the fact that the entire undeconstructed collective work of which it was a part was fixed in the database, then an "all media-inclusive" § 201(c) would not have been violated.

The Copy-Shop Model: The function that Mead and UMI or, indeed, many databases or database producers serve these days is not so very different from that served by Kinko's or the Michigan Document Services Company. At the public's request, they each copy discrete elements of previously published collective works and bring those discrete elements together in new combinations. Just as their conduct constitutes copyright infringement, so does the conduct of the database producers. *See generally, Princeton University Press v. Michigan Document Services, Inc.*, 99 F.3d 1381, 1384-85 (6th Cir. 1996); *Basic Books, Inc. v. Kinko's Graphics Corp.*, 758 F.Supp. 1522 (S.D.N.Y. 1991).

There is, however, a significant difference between the traditional commercial copyshop and the three electronic databases at issue here. Generally, the copyshop takes an intact collective work and selects for copying discrete pages or selections only upon the request of a customer. The electronic databases here, on the other hand, don't copy from still intact collective works because the articles, selections and pages they need for any new assemblage have already been supplied to them — and stored by them — as discrete "documents." BA ¶¶ 9-20, J.A. 72a-81a. Indeed, they have not only already been supplied with discrete documents, but the databases have already logged each document into inventory, given it a unique retrieval number, and electronically tagged it with "keywords" and "term topic identifiers" so that it can be individually retrieved. BA ¶¶ 20-27, J.A. 81a-83a.

Moreover, once in the system, an individual article continues to be reproduced every time NEXIS creates a new generation of its database, BA ¶ 27, J.A. 83a, and every time UMI presses new or additional discs containing the article. It follows that before an end-user ever shows up and requests a particular article, the database producer has already copied it innumerable times (and in the case of UMI, distributed it), as well as taken concrete steps to authorize others to retrieve, display, copy and distribute the work.

Although there are clearly differences between the three databases at issue in this case, those differences are not material. Thus, it doesn't matter that the NYTO database carries articles from different issues and editions of *one* publication, while NEXIS and the GPO databases carry articles from different publications. Similarly, it doesn't matter that NEXIS and the NYTO databases make articles available in a text-only format, while the GPO database makes articles available in a page-view format. The salient feature of each of these databases — and the feature that is material for purposes of § 201(c) — is that they contain fixed copies of individual articles or component parts, but not collective works as a whole.

A database that contained entire issues of periodicals instead of individual articles would not violate a § 201(c) privilege that is properly exercisable in all media. That is the type of database that General Starr has taken pains to describe.[21] There is no such database in *this* litigation.

The "New Anthology Model": When the database producers take the article-files they receive from the print publishers and incorporate them into their databases, they are making articles that at some point in the past were part of particular editions of a newspaper "part of" new compilations or anthologies: the petitioners' databases. *See A Report on Legal Protection for Databases, A Report Of The Register of Copyrights*, U.S. Copyright Office, August 1997, LVI 427-431 (databases are compilations); *Copyright Office Circular 65*, Copyright Registration for Automated Databases (databases

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[21] While the National Geographic Society may well believe that, in 1997, it created a database that is consistent with the § 201(c) privilege, there is concrete evidence that it just as strongly believed, prior to that time, that UMI's CD-ROMs were *not* copyright-compliant. J.A. 336a. Moreover, there is evidence that other publishers — including UMI itself — joined it in that belief. J.A. 334a-335a.

Two of the publisher petitioners in this case appear to recognize infringing behavior when they see it in others. *See* "Whither Napster?: The music business must find a way to charge for Internet swaps so creators can benefit," Editorial in *Newsday*, A 30 (Feb. 14, 2001); "A Win for Intellectual Property," Editorial in *The New York Times*, A 30 (Feb. 14, 2001).

are compilations). *See also* William S. Strong, *Database Protection After Feist v. Rural Telephone Co.*, 41 Journal of the Copyright Society 34 (1994) (databases are compilations); Marybeth Peters, *The Copyright Office and Form C Requirements of Registration of Claims to Copyright*, 17 U. of Dayton L. Rev. 737 (1992) (databases are compilations); John F. Hayden, *Copyright Protection for Computer Databases After Feist*, Harvard J. Law & Tech. 215 (1991).

Since these databases do not constitute editions of *Newsday* or *The New York Times* — but rather a "new anthology" or compilation — the database producers have clearly violated respondents' copyrights by incorporating respondents' articles into them. *See* H.R.Rep. No. 1476 at 122-23, J.A. 706a (where it is noted that section 201(c) was not intended to authorize publishers to include a contribution in "a new anthology or an entirely different magazine or other collective work").[22] Moreover, by providing the article-files containing respondents' articles to the database producers for such inclusion, the print publishers have made themselves vicariously and contributorily liable for the database petitioners' infringements.

B. The Case Law Is In Complete Accord

At page 7 of their petition for certiorari, petitioners characterized the Second Circuit's Opinion in this case as being "remarkable for its fundamental inconsistency with governing precedent of this Court and decisions of other circuits" and "for its inclusion [in the Opinion] of only one citation to a

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[22] Respondents demonstrated at the CD-ROM demonstration that all of the articles in one of UMI's discs are contained in one file, known as the "lib.ful" file. (D 40, 48). Although there are no human-readable markers that would enable anyone looking at the organization of the disc to know what articles were originally associated with what issues, the articles can be *re*organized on an "issue-by-issue basis" by an end-user, using the date-and-periodical search, if the "user wishes to access the information that way." KL 7; D 41. Each article is a separately retrievable unit.

A set of the discs that were used at the CD-ROM demonstration were marked as plaintiffs' exhibits and deposited with the District Court. They appear as item 52 in the District Court record.

copyright law decision." Cert.Pet. 7. Petitioners' charge is remarkable for its lack of foundation. If petitioners want to find case law that supports the Second Circuit's decision, they don't have to go outside the four corners of their own petition to do so. They will find it in the cases they cited on pages 23 and 24 of their petition. Those cases can be divided into two series.

The first series of cases stands for the proposition that a person engages in copyright infringement if he copies items into a computer without authorization — or copies items from one computer, component, disc or drive of a computer or one type of memory into another. *See DSC Communications Corp. v. Pulse Communications*, 170 F.3d 1354 (Fed.Cir. 1999); *Stenograph LLC v. Bossard Assocs.*, 144 F.3d 96, 100 (D.C. Cir. 1998); *Urantia Found. v. Maaherra*, 114 F.3d 955 (9th Cir. 1997); *Triad Sys. Corp. v. Southeastern Express Co.*, 64 F.3d 1330, 1333 & n.4 (9th Cir. 1995); *MAI Sys. Corp. v. Peak Comp.*, 991 F.2d 511, 519 (9th Cir. 1993); *Sega Enterprises v. Accolade*, No. 92-15655 1993, U.S.App. LEXIS 78, at * 18 (9th Cir. Jan. 6, 1993); *Atari Games Corp. v. Nintendo*, 975 F.2d 832, 842 (9th Cir. 1992).

The second series of cases stands for the proposition that the copier does not have a defense to such infringement based on the conduct of a third party. In other words, the fact that a third party might make fair use of the material that has been unlawfully reproduced on a drive or a disc or use it in a non-infringing way does not give *the copier* a defense. *See Princeton Univ. Press. Michigan Document Servs.*, Inc., 99 F.3d 1381, 1389 (6th Cir. 1999) (en banc); *Los Angeles News Serv. v. Tullo*, 973 F.2d 791 (9th Cir. 1992).

These principles are as applicable to companies that produce databases as they are to computer programmers and copy-shops and apply irrespective of whether the material that has been copied consists of a software program or newspaper and magazine articles.

This being so, there is no question but that, by copying the article-files they receive from the magazines and newspapers

into their servers, drives and discs, the database petitioners violated respondents' copyrights. There is similarly no question but that the print publishers contributed to and are vicariously liable for the database petitioners' infringements.

C. *Feist* And The Majority And Dissenting Opinions In *Abend* Are In Accord.

Feist Publications v. Rural Telephone: Even if there were authority to the contrary, which there is not, this Court's decision in *Feist Publications, Inc. v. Rural Telephone Service Co., Inc.*, 499 U.S. 340 (1991), would require affirmance of the judgment in respondents' favor. Let's examine why.

Assume for the moment that we have an issue of a newspaper that consists, in part, of freelance contributions and, in part, of staff-written articles: $F^1 + F^2 + F^3 + S^1 + S^2 + S^3$. As published, the newspaper contains graphics, photographs, comics, a cross-word puzzle, and a distinct format. The publisher of the newspaper enters into an agreement with Mead under which it licenses the articles from its newspaper for inclusion in NEXIS' database. Pursuant to this agreement, every day at a particular time it sends Mead article-files for processing and incorporation into the database. All other elements of the collective work are discarded or "excluded." Each article is added to the database in a separate electronic envelope and made separately and individually retrievable.

What do we have? Do we have, as petitioners contend, an "electronic copy" of the print publisher's newspaper to which its collective work copyright extends? Or, do we simply have "copies" of individual preexisting articles, some of whose copyrights are owned by their freelance authors and others of which are owned by a publisher-employer?

Under *Feist*, this Court recognized that "[t]he two fundamental criteria of copyright protection [are] originality and fixation in tangible form." 499 U.S. at 355, quoting from H.R.Rep. No. 94-1476, p. 51, J.A. 692a, S.Rep. No. 94-473, p. 50, LVI 242. For a work to be original, it "must be original to the author." *Id.* at 345. For a work to be "fixed," it must be embodied in a material object in a "sufficiently permanent or

stable" form "to permit it to be perceived, reproduced, or otherwise communicated . . .". 17 U.S.C. § 101.

Neither of these criteria allows the author of the collective work to claim that its copyright extends to the materials in any database at issue here. First, because in the database, the only works that are in a sufficiently permanent or stable form to be perceived are the individual articles, and not the collective work proper. *See Matthew Bender & Co., Inc. v. West Publishing Co.*, 158 F.3d 693, 702-703 (2d Cir. 1998), *cert. den'd*, 526 U.S. 1154 (1999). Second, because the articles with whose provenance we are concerned clearly owe their origin to the freelance writers as opposed to the author of the collective work.

In sum, there is simply nothing about or in the embodiment of the freelance articles fixed in the database that "display[s] the stamp of the [collective work] author's originality." 499 U.S. at 350 (material in brackets added).

Stewart v. Abend: The question in *Abend* was whether the author of a derivative work could continue to exhibit, copy, and distribute its work even though it no longer had a valid license in the work on which it was based. The majority said "no;" the dissent said "yes." In the majority's view, the copyrights in the two works were separate and distinct and, "[s]o long as the pre-existing work remains out of the public domain, its use is infringing if one who employs the work does not have a valid license or assignment for use of the pre-existing work." 495 U.S. at 223. The dissent believed that, under the 1909 Act, the author of the pre-existing work had the power to "sell the right to make a derivative work that upon creation and copyright would be completely independent of the original work." 495 U.S. at 244.

In passing, the dissent also noted its concern that the author of a derivative work might be induced to spend considerable time, energy, and effort in creating a derivative work that it could not then use. 495 U.S. at 255 n. 22. That concern is not present here. Respondents acknowledge that petitioners *can reproduce and distribute their entire collective works, inclu-*

sive of contributions. That is precisely what § 201(c) of the Act permits them to do. What they cannot do is reproduce and distribute contributions other than as part of a fixed collective work.

Since it is the latter that petitioners really want, however, what they are seeking is something far more radical than the petitioners in *Abend* or the Court in *Rohauer* v. *Killiam Shows, Inc.*, 551 F.2d 484 (2d Cir.), *cert. denied*, 431 U.S. 949 (1977), ever envisioned. They are not claiming that, by withholding his permission, the author of an incorporated contribution is preventing them from reproducing and distributing their *collective* works. They are claiming that their copyright in the collective work has somehow vested them with limited exclusive rights in the underlying contributions. They argue that they can exercise those rights in a *particular* contribution, so long as they simultaneously exercise similar rights in the other articles that had once appeared together with it in an issue of a newspaper.

While petitioners might conceivably have had an argument under the 1909 Act, the same absolutely cannot be said with respect to the current one. As the dissent in *Abend* duly noted, 495 U.S. at 243 n. 5, there is a critical respect in which the 1909 and 1976 Acts differ. The language of sections 3 and 7 of the 1909 Act extended composite and derivative work copyrights to "all the copyrightable component[s]" of such works, including "all matter therein in which copyright is already subsisting." 1909 Act, 17 U.S.C. § 3 (1976 ed.). Section 103 (b) of the 1976 Act, on the other hand, provides that "[t]he copyright in a compilation or derivative work *extends only to the material contributed by the author of such work, as distinguished from the preexisting material* employed in the work . . .". 17 U.S.C. § 103(b) (emphasis added).[23]

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[23] Petitioners omit this phrase entirely when they quote § 103(b) in their brief. Pet.Bf. 7. Indeed, they omit the entire first sentence of the provision. *Id.* Having thus truncated the provision, they then claim that they have been afforded a copyright under § 103(b) that entitles them to reproduce and distribute the whole of their collective works including any incorporated individual contributions. Pet.Bf. 15. If that were true — i.e.,

IV. Petitioners' Myriad Defenses:

Petitioners' defenses may be divided into six categories.

A. The "We're Clean, It Is The End-Users Who Are Guilty" Defense

Petitioners distort the decision below to suggest that it depends upon vicarious liability for acts by end-users. It does not. Respondents charged petitioners with direct infringement for their own delivery, transmission and replication of freelance contributions other than pursuant to the § 201(c) privilege. Third-party conduct is therefore irrelevant. *See Sony, supra* at 446; *Princeton Univ. Press, supra* at 1389 (en banc); *Los Angeles News Serv. v. Tullo*, 973 F.2d 791 (9th Cir. 1992). *Accord* Pet.Bf. 19; Publishers' Amicus 16-17; Database Producers' Amicus 22.

Petitioners also suggest, at least subliminally, that acts by historians and researchers that might constitute "fair use" should immunize the companies that profit from the infringement. *See* Burns Amicus. End-users can no more save petitioners from liability than they can be made to take the blame. *See Princeton Univ. Press, supra* (holding that copy-shop could not avail itself of fair use defense belonging to end user).[24]

B. "The Medium Made Me Do It" Defense

Petitioners have claimed for a long time now, in terms that were entirely conclusory, that whatever they have done in placing materials in the databases, they were required to do by the medium. J.A. 375a ¶ 12, J.A. 379a ¶ 6. From this assertion (without competent evidentiary support), they argue that

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if § 103(b) and § 106 of the Act themselves afforded collective work authors that prerogative — § 201(c) would be surplusage.

Far from being surplusage, the privilege provided in § 201(c) is actually essential to newspapers and magazines. Without it, they would only be able to print such materials as they either owned (i.e., were encompassed by their limited copyright) or they had been licensed to use. What the privilege affords them is a mechanical license to print and distribute the whole.

[24] It is really the petitioners, not respondents, who are relying on third-party conduct.

if they are entitled to utilize the electronic medium at all, then they must be allowed to do exactly what they have done. *See, e.g.*, Cert.Reply 10.

There are three fallacies in this argument. First, the principle of medium-neutrality, upon which this argument is based, does not mean what petitioners say its means. It means that a work is protected in the medium in which the author first creates the work and in which he thereafter reproduces it or authorizes it to be reproduced. It does not mean that someone who gets a license to use the work gets a license to exploit it in all media. In other words, the principle protects and was designed to protect the copyrightholder and his creations and not to afford rights to "licensees."

It is significant therefore that, in this case, the print publishers are necessarily *in the position* of "licensees" — as opposed to copyrightholders — with respect to the freelance contributions. 17 U.S.C. § 103(b) (the copyright in a compilation extends only to the materials contributed by its author and not to preexisting materials). And, that the very limited license they have been given by § 201(c) does not, on its face, permit them to use electronic information storage and retrieval systems. *See* Points I(C) and II(C), *ante*.

In any event, even if petitioners were correct that they are entitled to use any and all media, the principle of medium-neutrality cannot conceivably be construed to mean that they are entitled to use any and all "formats." For instance, it could not rationally be construed to mean that they are entitled to use a format that involves the exploitation of individual articles (e.g., printed broadsides). As petitioners themselves acknowledge, the purpose of § 201(c) was to prevent such exploitation. Cert.Pet. 6.

Third, there is no question but that *technologically* petitioners could, if they chose, avail themselves of the electronic medium to publish intact copies of their publications. This fact is established not only by the Williams Affidavit, J.A.

122a-151a, but also by petitioners' own evidence in the case[25] and the averments of their amici. *See, e.g., AIPLA Amicus* 13 (describing the scenario in which publishers "electronically scan[ ] the newspaper in which the contribution appears in its entirety); *NGS Amicus* 8 and 9 n. 2 (describing image CD-ROMs in which "the individual contribution remains in the 'particular collective work' in which it originally appeared" and "every page of every issue remains precisely as it was in the original paperbound version . . ."); and *Print Publishers' Amicus* 13 (describing "visual formats that, like the photographic copies presently used in microfilm, replicate the column format, typeface, and other visual incidents of the original publication"). Petitioners chose not to create databases with intact "issues," not because the medium wouldn't let them, but because they felt that the market wouldn't.

C. The "Inchoate Copy" Defense:

At pages 22-23 of its brief and in notes 15 and 17, petitioners suggest that even if what they have placed into the databases are individual articles as opposed to collective works, the Court is nonetheless required to conclude as a matter of law that the databases contain "copies" of the collective works from which the articles derived. They base this argument on two alleged facts: (1) the fact that, although dispersed throughout the database, allegedly all of the "editorial" components of an issue are present somewhere in it, and (2) the fact that, if he chooses, an end-user can conduct a date-and-periodical search that will yield all of the articles that had once appeared together in a collective work.

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[25] That evidence establishes that The New York Times Company routinely delivered copies of two sections of its Sunday newspaper in their undeconstructed form to UMI so that UMI could subject them to digital scanning. BA ¶ 53, J.A. 95a. Obviously, *The New York Times* could have chosen to deliver the *entire* paper.

By the same token, UMI could have chosen to create a database that contained continuous electronic scans or intact images of entire periodicals. *See, generally,* Williams Aff., J.A. 122a-151a. Instead, it chose to create the GPO database and make "article copies" available. *See* footnote 1, *ante*.

Contrary to petitioners' contention, neither of these alleged facts can be made the basis for concluding that the database contains a "copy" of the collective work. Recognizing the subsistence of copyright protection in the first instance would extend copyright protection to the "idea" of a collective work, as opposed to its "expression," which is clearly improper. *See generally Goldstein v. California*, 412 U.S. 546, 561 (1973) ("[T]he word 'writings' . . . include[s] any physical rendering of the fruits of creative, intellectual or aesthetic labor"); *Mazer v. Stein*, 347 U.S. 201, 214 (1954); *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 58 (1884). Recognizing the subsistence of copyright protection in the second instance would impermissibly extend copyright protection to a "process" or "procedure" in violation of 17 U.S.C. § 102(b).

In any event, as the Second Circuit has made irrefutably clear in *Matthew Bender & Co. v. West Publishing Co.*, 158 F.2d 693, 702-703, 705-06 (2d Cir. 1998), *cert. den'd*, 526 U.S. 1154 (1999), a collective work is not "fixed" in a database if it can only be perceived with the aid of a machine or device "*after* another person uses the machine to re-arrange the material into the copyrightholder's arrangement." *Id.* at 702 (emphasis added). *See* footnote 2, *ante*. Obviously, without a fixed embodiment of the collective work, there can be no "copy." *Id.* at 702-03. 17 U.S.C. § 101 (definition of "copies").

D. The "Enough Has Been Preserved" Defense:

At pages 40-44 of their brief, petitioners suggest that even if the databases at issue do not *contain* "copies" of the print publishers' collective works (in either an original or revised form), each of them nonetheless *constitutes* a "revision" of these collective works as a matter of law.[26] They make this claim on the ground that, allegedly, the databases "sufficiently preserve" the "selection" and "arrangement" of the print publishers' newspapers. Contrary to petitioners' suggestion, however, neither of the lower courts found that the "arrangement" of the print publishers' collective works had been preserved.

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[26] As noted previously, petitioners repudiated this theory below. *See* footnote 5, *ante*.

They both found the opposite. (4a, 15a, 29a). And, while the District Court *did* agree, as a matter of law, that "selection" had been preserved, its finding was very specific. It based its conclusion on the following two facts: (1) that — again — although dispersed, all of the editorial elements of an issue are allegedly present somewhere in the database (70a); and (2) the further fact that when an individual article is displayed, it bears a legend or header that identifies the particular day and particular periodical in which the article first appeared. (71a).

Neither of these facts affords a basis for concluding as a matter of law that any copyrightable aspects of a collective work have been preserved, least of all the copyrightable aspect appropriately identified as an issue's "selection." The header or legend merely represents a statement of historical fact. As such, it is unquestionably non-copyrightable. *See, e.g., Feist*, 499 U.S. 340, 348 (1991); *Harper & Row, Pubs. v. Nation Enters.*, 471 U.S. 539, 544, 547, 556 (1985). And, even if absolutely all of the editorial elements of a periodical are present in the database, they cannot be said to "display the stamp of the [collective work] author's originality" as long as they are dispersed, *Feist*, 499 U.S. at 350 (material in brackets added). To paraphrase *Matthew Bender v. West Publishing* again, if an issue's "selection" can only be perceived by a machine after a person other than the collective work author has used it to gather together the articles making up the "selection," then the "selection" is not fixed, embedded or embodied in the underlying server or disc. *See Matthew Bender*, 158 F.3d at 702, 704-06. *See also EPM Communications, Inc. v. Notara, Inc.*, 2000 U.S.Dist. LEXIS 11533 (S.D.N.Y. August 11, 2000). And, if it is not fixed, embedded or embodied in the underlying server or disc, it is difficult to see how it can have been "sufficiently preserved."

Petitioners' error consists in their having confused the uncopyrightable process of selecting articles and the fact that individual articles have been selected with the "expression"

that results from the publication of those articles together as an issue. There is a clear distinction between the two. Only the latter is copyrightable. *See generally International News Service v. Associated Press*, 248 U.S. 215 (1918). Thus, the copyright in a compilation will not extend to editorial decisions — whether they are to select a *particular* article for publication at an unspecified time or a *group* of articles for publication together as an issue. Both of these "selection" decisions involve industrious effort, but not expression. *Id.* It is only when the articles that have been selected are in fact *published together as an identifiable group* that the process of selection bears copyrightable fruit that is original to the collective work author.

To hold otherwise and predicate a finding of copyrightability on one or another of the two types of pre-publication activities referred to above, instead of on the expression that ultimately results from them, would be to reward what *Feist* has said can no longer be rewarded under the copyright laws: "sweat of the brow." The fact that, here, we may be dealing with "sweat of the high-brow" cannot change that result.

E. The "Simultaneous" or "Aggregate Uses" Defense

In the final analysis, petitioners' arguments reduce to the following proposition: they can properly make use of an individual article under § 201(c) as long as they simultaneously make use of all (or most)[27] of the other individual articles that had once appeared together with it in an issue. *See, e.g.*, J.A. 471a at ¶¶ 7, 9, 473a at ¶ 15, 475a at ¶ 22. The Second Circuit correctly rejected this argument:

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[27] Petitioners' definition of the word "all" or phrase "entire editorial contents" shifts from publisher to publisher and database to database. Thus, the phrase "entire editorial contents" means, in the case of *Newsday*, the editorial contents *except for* wireservice, freelance and certain syndicated materials, Exh. 40, M003719, ¶ 11, while in the case of Time, Inc., it means, the editorial contents *minus* "such portions of the materials which Licensor does not have the right to include" and "materials from special issues," T000019, Sched. A, and in the case of *The New York Times* and GPO, the "entire editorial contents" of the Sunday paper means the contents of only two sections of it — far less than the requisite one-half.

> Under Publishers' theory of Section 201(c), the question of whether an electronic database infringes upon an individual author's article would essentially turn upon whether the rest of the articles from the particular edition in which the individual article was published could also be retrieved individually. However, Section 201(c) would not permit a Publisher to sell a hard copy of an Author's article directly to the public even if the Publisher also offered for individual sale all of the other articles from the particular edition. We see nothing in the revision provision that would allow the Publishers to achieve the same goal indirectly through NEXIS. (12a-13a).

Aside from violating the very principles of media-neutrality that petitioners have purported to champion, petitioners' reading of § 201(c) would enable a collective work author to extend its copyright to preexisting works in clear violation of § 103(b).

In addition, their reading is irreconcilable with the plain language of § 201(c). Section 201(c) does not provide for a privilege of using an article "at the same time as" other individual articles, but only for using an article "*as part of*" a collective work.[28]

F. And, Finally, The In Terrorem Defense:

Petitioners and their chorus of amici seek to rewrite the statute by threatening that upholding the decision below will "eviscerate" a database judges and attorneys tend to rely upon. *See generally* Publishers' Amicus 2-4, Database Producers' Amicus 23-27, Burns Amicus 4-6. Besides the fact that such an argument demeans the Court, there are at least five answers to petitioners' "sky is falling" argument. The Court itself has given three of them in other copyright cases — two in *Sony*

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[28] Petitioners concede that the activities of the research and photocopying service in *Ryan v. Carl Corp.*, 23 F.Supp. 2d 1146 (N.D.Cal. 1998), were infringing. Pet.Bf. 33 n. 22. Assuming the invalidity of the "aggregate uses" defense, petitioners' activities with respect to the GPO CD-ROMs are indistinguishable from those activities.

alone. There, Justice Stevens, writing for the majority, appropriately rejected arguments aimed at persuading the Court that, socially, a certain outcome was required. The Court stated:

> The stated desires of amici concerning the outcome of this or any litigation are no substitute for a class action, are not evidence in the case, and do not influence our decision; we examine an amicus curiae brief solely for whatever aid it provides in analyzing the legal questions before us.

Sony, supra, 464 U.S. at 434 n. 16. The dissent, sounding a similar theme, added that focusing on the question of whether a particular result would or would not increase the store of creative works available to the public puts the cart before the horse. It "simply confuses the question of liability with the difficulty of fashioning an appropriate remedy." *Sony, supra*, 464 U.S. at 494. Similarly, in *Abend*, 495 U.S. 207, 228 (1990), Justice O'Connor wrote for the Court that comparable fears flaunted by defendants there were "better addressed by Congress than the courts."

In any event, the threat that petitioners pretend would be posed in this case by an affirmance has been grossly exaggerated. *See* Garson Opp. 10-11. In the final analysis, there is not one iota of evidence that the panic that petitioners have labored to create is warranted — or, indeed, anything other than a dramatic device. The logistical problems they say exist are clearly soluble compared to other, far more intractable ones, solved with ingenuity and good faith.

V. The Judgment Of The Second Circuit Can Be Affirmed On Two Additional Grounds.

The judgment of the Court of Appeals in this case can also be affirmed on two grounds the court did not reach: (1) that since the privilege could not be transferred to the database petitioners, their actions were necessarily infringing, *see* Points I(A) and II(A), *ante*, and (2) that, notwithstanding the fact that, in general, the Act is medium-neutral, the very limited "license" publishers have been afforded in § 201(c) is not. By

placing respondents' articles into electronic databases, therefore, the database producers infringed respondents' rights.

The publisher-petitioners, in either event, are guilty of contributory and vicarious infringement.

VI. There Is No Conflict Between The Second Circuit's Decision And The Seminal Decisions Of This Court. Those Cases Are Entirely Consistent With, Indeed, Supportive Of, The Second Circuit Decision.

A. The Conflict With *Feist* Has Proved To Be Illusory.

Feist fully supports — if indeed it does not require — the decision below. *See* discussions, *ante*, at pp. 11-12, 38-39.

B. The Conflict With *Sony* Has Proved To Be Illusory.

Before the lower Court, petitioners complained that respondents had not adduced any evidence of infringement by end users and insisted that, under *Sony*, they were required to do so. OA 66-67. Here, they complain that because the Second Circuit considered what could be retrieved from a database by an end-user its decision is "improperly end-user driven" and thus in conflict with *Sony*. Pet.Bf. 47. Both of the petitioners' criticisms are unwarranted.

As those who are at all technologically aware know, computer servers, drives and discs are "black boxes." They are actually called this because, like the "black boxes" in an airplane cockpit, the way one tells what is in a black box is by analyzing what comes out of it.

So, too, with discs and drives. There are essentially two basic ways to tell what has been fixed in such material objects and what is resident in them. One can analyze what was put into them or what comes out — that is, what can be retrieved. Respondents have simply looked at the issue from both perspectives.

Obviously, there is a difference between analyzing what petitioners have made available for retrieval from the data-

bases in this case and what end users have actually or historically retrieved. The latter was not done in this case — either by respondents or the Courts below — because it would have been irrelevant. As the District Court clearly recognized, this case is not like *Sony*. (33a n. 3). Petitioners have not been charged with manufacturing and marketing a staple article of commerce (such as a computer), which was used by *others* to infringe, but of themselves reproducing, distributing and offering the infringing works. The principles that *Sony* articulated, therefore — while of tremendous importance in other contexts — are neither applicable to nor in any way in conflict with this case.

CONCLUSION

For the reasons stated herein and in the annexed letter of the Register of Copyrights, respondents respectfully request that the Court affirm the judgment entered by the Second Circuit.

Dated: February 20, 2001
New York, New York

Respectfully submitted,

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APPENDIX I

A VIEWPOINT ON THE SUPREME COURT CASE *NY TIMES V. TASINI* – HON. JAMES P. McGOVERN

(Extensions of Remarks – February 14, 2001)

HON. JAMES P. McGOVERN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, February 14, 2001

Mr. McGOVERN. Mr. Speaker, I submit for the RECORD this letter from Marybeth Peters, the Register of Copyrights at the U.S. Office of Copyrights, establishing her position on the U.S. Supreme Court Case, *NY Times versus Tasini.*

REGISTER OF COPYRIGHTS,
LIBRARY OF CONGRESS,
Washington, DC. February 14, 2001

Congressman JAMES P. MCGOVERN,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN MCGOVERN: I am responding to your letter requesting my views on *New York Times v. Tasini.* As you know, the Copyright Office was instrumental in the 1976 revision of the copyright law that created the publishers' privilege that is at the heart of the case. I believe that the Supreme Court should affirm the decision of the court of appeals.

In *Tasini*, the court of appeals ruled that newspaper and magazine publishers who publish articles written by freelance authors do not automatically have the right subsequently to include those articles in electronic databases. The publishers, arguing that this ruling will harm the public interest by requiring the withdrawal of such articles from these databases and irreplaceably destroying a portion of our national historic record, successfully petitioned the Supreme Court for a writ of certiorari.

The freelance authors assert that they have a legal right to be paid for their work. I agree that copyright law requires the

publishers to secure the authors' permission and compensate them for commercially exploiting their works beyond the scope of section 201(c) of the Copyright Act. And I reject the publishers' protests that recognizing the authors' rights would mean that publishers would have to remove the affected articles from their databases. The issue in *Tasini* should not be whether the publishers should be enjoined from maintaining their databases of articles intact, but whether authors are entitled to compensation for downstream uses of their works.

The controlling law in this case is 17 U.S.C. § 201(c), which governs the relationship between freelance authors and publishers of collective works such as newspapers and magazines. Section 201(c) is a default provision that establishes rights when there is no contract setting out different terms. The pertinent language of § 201(c) states that a publisher acquires "only" a limited presumptive privilege to reproduce and distribute an author's contribution in "that particular collective work, any revision of that collective work, and any later collective work in the same series."

The Supreme Court's interpretation of section 201(c) will have important consequences for authors in the new digital networked environment. For over 20 years, the Copyright Office worked with Congress to undertake a major revision of copyright law, resulting in enactment of the 1976 Copyright Act. That Act included the current language of §201(c), which was finalized in 1965 of interests.

Although, in the words of Barbara Ringer, former Register and a chief architect of the 1976 Act, the Act represented "a break with the two-hundred-year-old tradition that has identified copyright more closely with the publisher than with the author" and focused more on safeguarding the rights of authors, freelance authors have experienced significant economic loss since its enactment. This is due not only to their unequal bargaining power, but also to the digital revolution that has given publishers opportunities to exploit authors' works in ways barely foreseen in 1976. At one time these authors, who received a flat payment and no royalties or other benefits from the publisher, enjoyed a considerable secondary market. After

giving an article to a publisher for use in a particular collective work, an author could sell the same article to a regional publication, another newspaper, or a syndicate. Section 201(c) was intended to limit a publisher's exploitation of freelance authors' works to ensure that authors retained control over subsequent commercial exploitation of their works.

In fact, at the time §201 came into effect, a respected attorney for a major publisher observed that with the passage of §201(c), authors "are much more able to control publishers' use of their work" and that the publishers' rights under § 201 (c) are "very limited." Indeed, he concluded that "the right to include the contribution in any revision would appear to be of little value to the publisher." Kurt Steele, "Special Report, Ownership of Contributions to Collective Works under the New Copyright Law," Legal Briefs for Editors, Publishers, and Writers (McGraw-Hill, July 1978).

In contrast, the interpretation of §201(c) advanced by publishers in *Tasini* would give them the right to exploit an article on a global scale immediately following its initial publication, and to continue to exploit it indefinitely. Such a result is beyond the scope of the statutory language and was never intended because, in a digital networked environment, it interferes with authors' ability to exploit secondary markets. Acceptance of this interpretation would lead to a significant risk that authors will not be fairly compensated as envisioned by the compromises reached in the 1976 Act. The result would be an unintended windfall for publishers of collective works.

THE PUBLIC DISPLAY RIGHT

Section 106 of the Copyright Act, which enumerates the exclusive rights of copyright owners, includes an exclusive right to display their works publicly. Among the other exclusive rights are the rights of reproduction and distribution. The limited privilege in § 201(c) does not authorize publishers to display authors' contributions publicly, either in their original collective works or in any subsequent permitted versions. It refers only to "the privilege of reproducing and distributing the contribution." Thus, the plain language of the statute does

not permit an interpretation that would permit a publisher to display or authorize the display of the contribution to the public.

The primary claim in *Tasini* involves the NEXIS database, an online database which gives subscribers access to articles from a vast number of periodicals. That access is obtained by displaying the articles over a computer network to subscribers who view them on computer monitors. NEXIS indisputably involves the public display of the authors' works. The other databases involved in the case, which are distributed on CD-ROMs, also (but not always) involve the public display of the works. Because the industry appears to be moving in the direction of a networked environment, CD-ROM distribution is likely to become a less significant means of disseminating information.

The Copyright Act defines "display" of a work as showing a copy of a work either directly or by means of "any other device or process." The databases involved in *Tasini* clearly involve the display of the authors' works, which are shown to subscribers by means of devices (computers and monitors).

To display a work "publicly" is to display "to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times." The NEXIS database permits individual users either to view the authors' works in different places at different times or simultaneously.

This conclusion is supported by the legislative history. The House Judiciary Committee Report at the time §203 was finalized referred to "sounds or images stored in an information system and capable of being performed or displayed at the initiative of individual members of the public" as being the type of "public" transmission Congress had in mind.

When Congress established the new public display right in the 1976 Act, it was aware that the display of works over information networks could displace traditional means of reproduction and delivery of copies. The 1965 Supplementary

Report of the Register of Copyrights, a key part of the legislative history of the 1976 Act, reported on "the enormous potential importance of showing, rather than distributing copies as a means of disseminating an author's work" and "the implications of information storage and retrieval devices; when linked together by communications satellites or other means," they "could eventually provide libraries and individuals throughout the world with access to a single copy of a work by transmission of electronic images." It concluded that in certain areas at least, "'exhibition' may take over from 'reproduction' of 'copies' as the means of presenting authors' works to the public." The Report also stated that "in the future, textual or notated works (books, articles, the text of the dialogue and stage directions of a play or pantomime, the notated score of a musical or choreographic composition etc.) may well be given wide public dissemination by exhibition on mass communications devices."

When Congress followed the Register's advice and created a new display right, it specifically considered and rejected a proposal by publishers to merge the display right with the reproduction right, notwithstanding its recognition that "in the future electronic images may take the place of printed copies in some situations." H.R. Rep. No. 89-2237, at 55 (1966).

Thus, §201(c) cannot be read as permitting publishers to make or authorize the making of public displays of contributions to collective works. Section 201(c) cannot be read as authorizing the conduct at the heart of *Tasini*.

The publishers in *Tasini* assert that because the copyright law is "media-neutral," the § 201(c) privilege necessarily requires that they be permitted to disseminate the authors' articles in an electronic environment. This focus on the "media-neutrality" of the Act is misplaced. Although the Act is in many respects media-neutral, e.g., in its definition of "copies" in terms of "any method now known or later developed" and in §102's provision that copyright protection subsists in works of authorship fixed in "any tangible medium of expression," the fact remains that the Act enumerates several separate rights of copyright owners, and the public display right is indepen-

dent of the reproduction and distribution rights. The media-neutral aspects of the Act do not somehow merge the separate exclusive rights of the author.

REVISIONS OF COLLECTIVE WORKS

Although §201(c) provides that publishers may reproduce and distribute a contribution to a collective work in three particular contexts, the publishers claim only that their databases are revisions of the original collective works.

Although "revision" is not defined in Title 17, both common sense and the dictionary tell us that a database such as NEXIS, which contains every article published in a multitude of periodicals over a long period of time, is not a revision of today's edition of The New York Times or last week's Sports Illustrated. A "revision" is "a revised version" and to "revise" is "to make a new, amended, improved, or up-to-date version of" a work. Although NEXIS may contain all of the articles from today's New York Times, they are merged into a vast database of unrelated individual articles. What makes today's edition of a newspaper or magazine or any other collective work a "work" under the copyright law — its selection, coordination and arrangement — is destroyed when its contents are disassembled and then merged into a database so gigantic that the original collective work is unrecognizable. As the court of appeals concluded, the resulting database is, at best, a "new anthology," and it was Congress's intent to exclude new anthologies from the scope of the §201(c) privilege. It is far more than a new, amended, improved or up-to-date version of the original collective work.

The legislative history of §201(c) supports this conclusion. It offers, as examples of a revision of a collective work, an evening edition of a newspaper or a later edition of an encyclopedia. These examples retain elements that are consistent and recognizable from the original collective work so that a relationship between the original and the revision is apparent. Unlike NEXIS, they are recognizable as revisions of the originals. But as the Second Circuit noted, all that is left of

the original collective works in the databases involved in *Tasini* are the authors' contributions.

It is clear that the databases involved in *Tasini* constitute, in the words of the legislative history, "new," "entirely different" or "other" works. No elements of arrangement or coordination of the pre-existing materials contained in the databases provide evidence of any similarity or relationship to the original collective works to indicate they are revisions. Additionally, the sheer volume of articles from a multitude of publishers of different collective works obliterates the relationship, or selection, of any particular group of articles that were once published together in any original collective work.

REMEDIES

Although the publishers and their supporters have alleged that significant losses in our national historic record will occur if the Second Circuit's opinion is affirmed, an injunction to remove these contributions from electronic databases is by no means a required remedy in *Tasini*. Recognizing that freelance contributions have been infringed does not necessarily require that electronic databases be dismantled. Certainly future additions to those databases should be authorized, and many publishers had already started obtaining authorization even before the decision in *Tasini*.

It would be more difficult to obtain permission retroactively for past infringements, but the lack of permission should not require issuance of an injunction requiring deletion of the authors' articles. I share the concern that such an injunction would have an adverse impact on scholarship and research. However, the Supreme Court, in *Campbell v. Acuff-Rose Music, Inc.*, and other courts have recognized in the past that sometimes a remedy other than injunctive relief is preferable in copyright cases to protect the public interest. Recognizing authors' rights would not require the district court to issue an injunction when the case is remanded to determine a remedy, and I would hope that the Supreme Court will state that the remedy should be limited to a monetary award that would compensate the authors for the publishers' past and continuing unauthorized

uses of their works. Ultimately, the *Tasini* case should be about how the authors should be compensated for the publishers' unauthorized use of their works, and not about whether the publishers must withdraw those works from their databases.

Sincerely,

Marybeth Peters,
Register of Copyrights

Congressman James P. McGovern
430 Cannon House Office Building
Washington, D.C. 20515

APPENDIX II

SELECTED PROVISIONS OF THE COPYRIGHT ACT OF 1976

17 U.S.C. § 103

§ 103. Subject matter of copyright: Compilations and derivative works

(a) The subject matter of copyright as specified by section 102 includes compilations and derivatives works, but protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

* * *

17 U.S.C. § 106

§ 106. Exclusive rights in copyrighted works

Subject to sections 107 through 121, the owner of a copyright under this title has the exclusive rights to do and to authorize any of the following:

(1) to reproduce the copyrighted work in copies or phonorecords;

(2) to prepare derivative works based upon the copyrighted work;

(3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;

(4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and

other audiovisual works, to perform the copyright work publicly;

(5) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly; and

(6) in the case of sound recordings, to perform the copyrighted work publicly by means of a digital audio transmission.

* * *

17 U.S.C. § 201

§ 201. Ownership of copyright.

* * *

(c) Contributions to collective works. Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

* * *

17 U.S.C. § 501

§ 501. Infringement of copyright.

(a) Anyone who violates any of the exclusive rights of the copyright owner as provided by sections 106 through 121, or of the author as provided in section 106A(a), or who imports copies or phonorecords into the United States in violation of section 602, is an infringer of the copyright or right of the author, as the case may be. . . .

* * *

Definitional Sections:

17 U.S.C. § 101

§ 101. Definitions

Except as otherwise provided in this title, as used in this title, the following terms and their variant forms mean the following:

* * *

A "collective work" is a work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole.

A "compilation" is a work formed by the collection and assembling of preexisting materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

"Copies" are material objects, other than phonorecords, in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "copies" includes the material object, other than a phonorecord, in which the work is first fixed.

"Copyright owner", with respect to any one of the exclusive rights comprised in a copyright, refers to the owner of that particular right.

A work is "created" when it is fixed in a copy or phonorecord for the first time; where a work is prepared over a period of time, the portion of it that has been fixed at any particular time constitutes the work as of that time, and where the work has been prepared in different versions, each version constitutes a separate work.

* * *

A work is "fixed" in a tangible medium of expression when its embodiment in a copy or phonorecord, by or under the authority of the author, is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration. A work consisting of sounds, images, or both, that are being transmitted, is "fixed" for purposes of this title if a fixation of the work is being made simultaneously with its transmission.

* * *

"Literary works" are works, other than audiovisual works, expressed in words, numbers, or other verbal or numerical symbols or indicia, regardless of the nature of the material objects, such as books, periodicals, manuscripts, phonorecords, film, tapes, disks, or cards, in which they are embodied.

* * *

"Publication" is the distribution of copies or phonorecords of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for further distribution, public performance, or public display, constitutes publication. A public performance or display of a work does not of itself constitute publication.

* * *

To perform or display a work "publicly" means —

(1) to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered; or

(2) to transmit or otherwise communicate a performance or display of the work to a place specified by clause (1) or to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in

the same place or in separate places and at the same time or at different times.

* * *

A "transfer of copyright ownership" is an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright or of any of the exclusive rights comprised in a copyright, whether or not it is limited in time or place of effect, but not including a nonexclusive license.

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